The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Pirate Lair at Bias Bay Soon to Serve as Fortress for Hongkong-Canton

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BIAS BAY TO BE FORTIFIED IN HONGKONG-CANTON DEFENSE

ELSEWHERE in this week's issue of *The Review* there is an article of considerable significance dealing with the decision of the authorities of South China to refortify the eastern coast of Kwangtung Province, particularly the area about Bias Bay, internationally famous as the chief base of activities of Chinese pirates. Many ships of various nationalities have been seized along the coast and taken to Bias Bay, where cargoes and passengers were looted and in many cases Chinese passengers were held for ransoms.

Aside from the element of protection against pirates, there is international significance in the decision to refortify this important sections of coast line due to the strategic location of Bias Bay with respect to the defense of the Hongkong-Canton area. In other words, British fortifications at Hongkong might easily be made ineffective if the Kwangtung coast to the east was not fortified. In the event of war between Britain and Japan, or China and Japan, the Japanese, if they had command of the sea, might easily land a force at Bias Bay and thereby menace the British position at Hongkong-Kowloon. A somewhat similar situation developed in 1914, when the Japanese attacked the German position at Tsingtao. The Japanese Navy was unable to capture Tsingtao by a frontal attack, but achieved its objective by landing on the coast and marching overland through Chinese territory and attacking the German base from the rear.

In addition to the strategic connection of Bias Bay with the defense of Hongkong, it is also important in the defense of the South China metropolis of Canton. As pointed out by our correspondent, Canton is always vulnerable to attack from the coast at Swatow, but a force operating against Canton from Swatow could in turn be cut off by another force operating from Bias Bay. Thus the fortification of Bias Bay would serve a double purpose in the protection of both Canton and Hongkong.

The fortification of the South China coast obviously involves cooperation between Chinese and British interests, a subject which has been discussed in articles which have appeared in *The Review* recently. The whole questions has close connection with Anglo-Chinese politics in the South which not only involves the defense of Hongkong-Canton but also the development of Hainan Island off the Kwangtung coast, which also has been discussed in articles recently published in *The Review*.

The decision of the Chinese and British-Hongkong authorities to speed up their fortifications was greatly stimulated by Japan's action in sending her fleet to Pakhoi, on the Gulf of Tongking and Hoihow, on Hainan Island, last year, plus the action of the Japanese naval authorities in developing fortifications on the coast of Formosa and at Makung in the Pescadores Islands.

A Chicago Orator's Interpretation of the Sian Incident and Some Other Things

WILLIAM C. White, who writes occasional fiction stories in the *Saturday Evening Post*, recently referred to professional lecturers in the United States who make hurried trips to Europe, rush from capital to capital, and thus manage in a few hours to obtain sufficient information to keep themselves going for a full year of oratory. Obviously such orators are not to be classed with the veteran correspondent who said that when he first arrived in China he felt as though he should write a book, but now after many years of experience, he hesitated to write a single paragraph!

That China also suffers from the type of lecturer referred to by Mr. White is well known, but in addition to the superfical orators China also suffers from those who for some reason or other may be disgruntled.

The foregoing will serve as an introduction to one Gordon Enders, formerly a resident of China, who lectured on the "Story Behind the Chinese Kidnapping," before the Chicago Council on Foreign Relations, the said lecture having been staged in the Red Lacquer Room of the Palmer House, Chicago, on Feb. 27 last.

The kidnapping referred, of course, to what is now known as the "Sian Incident." Mr. Enders, the lecturer, came to China as an employe of one of the branches of the United States Government which functions in this part of the world. Later he resigned and was engaged in private activities concerned with the sale of airplanes, one deal at least ending in a legal action for commissions against a leading airplane manufacturing concern in New York, a case which was decided against him by the New York Supreme Court in a decision handed down on December 5, 1935. Since then, Mr. Enders has resided in the United States.

In his lecture in Chicago on the Sian incident, Mr. Enders stated that he was in Hankow in January, 1927, when the National troops arrived from Canton. From that point he traced the revolution down the Yangtsze to Shanghai which he described as "that citadel of conservatism and western civilization." Here he described a meeting between Gen. Chiang Kai-shek and Gen. Duncan of the British forces wherein the hard-boiled British commander pinned the Chinese Generalissimo down and forced him to forego his red connections—all of which information will be news to several correspondents of American and British newspapers who covered this phase of the Nationalist revolution. But Enders even repeated the exact words of an alleged conversation between the two military commanders.

Space is too limited for reference to all of Enders' statements—so we hurry on to the next episode — in 1929 — when men broke into Chiang's house (location not given) and opened fire on him while he slept, wounding him in four places, but Gen. Chiang reached under his pillow for his pistol and killed five of his eight assassins.

Then came civil war and a reference to T. V. Soong, Minister of Finance, whom Enders described as a graduate of a school of business administration "in Japan," whereas the records are more or less definite that Mr. Soong went to Harvard, following which he was employed for a time by a leading bank in New York. But Enders said Soong went to Hankow where he (Soong) allegedly fell in love with the daughter of the "richest man in China," who was hard-hearted and kicked Soong out of the house. The said, "richest man in China" then married his charming daughter off to the Young Marshal Chang Hsueh-liang—which also constitutes information of fantastic nature because Madame Chang Hsueh-liang is the daughter of an old Chinese family in Manchuria.

Then, to follow Lecturer Enders, Mr. Soong went to the World Economic Conference in London—stopping off in the United States "to negotiate a fifty million dollar cotton and wheat loan." But the Chinese Finance Minister, according to Enders, "misrepresented the facts to President Roosevelt about the cotton mill situation in China," and upon his return journey to

China, when the ship upon which he was traveling was in Yokohama Bay, Soong refused to go ashore and have an audience with the Japanese Emperor. As a result of this—and that—there was trouble about the cotton deal and Soong resigned. Mr. Enders was right at least in that there was trouble over the cotton deal, but not exactly as he stated it. The Chinese cotton mills, hit by the depression, were unable to take up as much of the cotton as they had expected, while the Japanese cotton mills in China, accustomed to buying their cotton in the open market, were in this instance, prevented by the Japanese Army from doing so on the ground that such purchases would strengthen Chinese opposition to Japanese economic domination. But, according to Enders, Soong "did China a great dis-service by being rude to Japan!"

In the following paragraph there was another interesting bit of fresh information—"Chiang Kai-shek was sent to Europe to investigate conditions."

Then came the Sian incident . . . "Chiang Kai-shek knew there was going to be trouble and went to see what it was all about . . . he talked about moving the Young Marshal and his men . . . but T. V. Soong knew that the communists had come to an agreement with Chiang Kai-shek against the Japanese . . . he knew the kidnapping was going to happen . . . and on the morning of December 12 the kidnapping took place . . . finally when the Young Marshal had been actually reduced to nothing . . . he let the cat out of the bag . . . he said 'send for T. V. Soong' . . . and the next day Soong flew up there and the kidnapper, kidnappee and he were safe on a basis of anti-Japanese action . . . messages came from parts of China that no one knew had any interest whatever in Chiang Kai-shek, and his kidnapping served to unify his people . . . ."

As there were several former residents of China in the audience which listened to Mr. Enders, copies of his speech were mailed to interested parties here—hence the next episode of the Sian incident may be enacted in Chicago. However, Lecturer Enders only dealt with the background of Sian, not futures!

Although not connected either with Mr. Enders or Sian, a friend in New York mailed the followed excerpt from a recent book review in *The New York Times* which was written by George E. Sokolsky, another former China resident who is now lecturing in America:

> "It is curious that today China seems to expect every other nation to do its duty, while making no concrete plans to do anything for itself until after Japan becomes embroiled with some other power . . . China does not organize to resist Japan; China does not organize to defend herself against internal and external enemies. China is gambling on the 'world situation' to pull her through, and the 'world situation' does not occur."

A Chinese Analysis of the Fight Between Fascism and Constitutionalism in Japan

(Editorial Correspondence)

THE dissolution of the Diet on March 31, only a few hours before normal adjournment, has once more brought to the forefront the conflict between fascism and constitutitonalism in Japan. Like its predecessors in recent years the Hayashi Cabinet sought to discredit the political parties, the Minseito and Seiyukai, by charging them with lack of understanding of the present situation and with using filibustering methods. But this time the political parties did not sit tight and do nothing; they joined forces to fight the Government at the polls. The outcome of the contest remains to be seen, but recent political events tend to show that the state of truce hitherto maintained may soon yield to more decisive developments.

To understand the situation in Japan it is necessary to keep two facts in mind: First, constitutional government has fallen from favor. Then why a continuance of this polity side by side with the military bureaucracy which is the catspaw of fascism? The answer lies in the second point, the traditional respect for institutions inaugurated in the period following the Meiji Restoration. However bold the Japanese may have been in breaking away from the past, they are chary about demolishing any part of the edifice built up in the reign of that illustrious emperor. This accounts for tortuous course that Japanese politics has taken in shunning constitutional government in fact on one hand while stubbornly avoiding its formal repudiation on the other.

The decline of constitutionalism in Japan is due to a number of causes: First is the conviction that this form of polity has become a brake on the wheel of national expansion and aggrandisement. They argue that since its adoption from the West about fifty years ago the system has outlived its usefulness. Japan embraced constitutionalism, not because of its guarantees of individual rights and freedom, but because her leaders thought constitutional government in the West went hand in hand with national power and prestige. When constitutionalism failed to enhance Japan's national power and prestige, as her leaders had hoped, it was inevitable that they

should turn away from it.

A second cause of constitutional setback is the dearth of courageous and capable party leaders. The Manchurian incident not only brought about the downfall of Wakatsuki Cabinet, but gave the militarists their opportunity to discredit partisan politics. When Premier Wakatsuki relinquished leadership of the Minseito party he denied his party and himself any chance of an early comeback. His successor has not made an impressive record thus far. What is true of the Minseito also applies to the Seiyukai. The assassination of Premier Inukai in May, 1932 promoted to party leadership Dr. Suzuki, an invalid, who however remained in office three years before resigning. The present President of the Seiyukai—Yamamoto—is not known for any special talents. With leadership so barren it is no surprise that the political parties have been relegated to the background.

The bolting from major parties to form minority groups, not out of conviction but over personal grievances, and the acceptance of government portfolios at the price of severing party affiliations are evidence of the break-down of political morale. In this weakness the fascist-militarists have not been slow to see possibilities for their cause.

Weak in internal organization, the major political parties have further been distracted by the growing tendency toward either rightist or leftist extremes. The growth and development of fascism in Japan was rapid after the Manchurian incident. But it is remarkable in a country where the rigorous suppression of "dangerous thoughts" has been relentlessly carried out by the fascist-bureaucratic cabinets the leftist forces have made phenomenal gains notwithstanding. Not to be overlooked is the parliamentary showing of the proletarian Social Masses Party. The forthcoming election may bring further evidence of the strength of leftist elements.

The decline of constitutionalism has been as much a cause of the rise of fascism as its inevitable consequence. Whatever the causal relationship, there can be no doubt as to the fascist nature of forces now ruling in Dai Nippon. A major factor has revealed itself glaringly in the increasing irregularities attending the transfer of political power. It is true that the nomination of the Premier by the Elder Statesmen cannot be adjudged, in the light of sound constitutional principles, as anything but an anomaly. But even this feeble pretence at constitutionalism has been done away with as result of the Army's recent veto of choice of Prince Saionji, last of the Genro. He will, no doubt continue to be ignored in future. The net result has been to make the Army not only the supreme arbiter in politics, but the sole source of political authority. That the Cabinet whose civilian complexion has grown weaker and weaker, is now completely under the thumb of the Army is not attested merely by the fact that General Hayashi is in control.

But for reasons peculiarly Japanese, the fascist onslaught on constitutionalism has yet to be camouflaged. There is a lack of show or flourish about Japanese fascism, and a total absence of emblems, symbols and colored shirts that have featured its European counterparts. This is consonant with the subterfuge, so often observed, that what happens in the Island Empire is justified by its "peculiar national polity," a phrase hard to define but unmistakable in its implication. The use of this phrase in a book wrecked the career and almost cost the life of a famous Japanese professor who dared to refer to the Emperor as an "organ of the state". The same statement or slogan fired the perpetrators of the February 26, outrage and other crimes with the conviction that the civilian politicans, the financiers and exponents of a moderate policy in general had interposed themselves unnecessarily between the people and the Army on the one hand and between the Army and the Throne on the other. What the Army wants is to create the impression that it has the backing of the whole people, thus enabling it to enforce its will in the name of the Mikado.

But fascism cannot be denied by the mere absence of dynamic leaders. The Japanese counterpart of Il Duce or Der Fuehrer may be lacking but the deficiency need not be a serious handicap. Effective leadership, as individual genius, is furnished in Japan by the collective actions of groups generally referred to as the "Young Officers' Clique", etc. As its name signifies, the members of this clique are largely recruited from among the hotheads of junior rank. But age and a profession other than soldiery need not debar one from affiliation provided he believes in the inadequacy of constitutional government to meet Japan's national emergency, or in a totalitarian state as the only way out. It is clear therefore that the fascist-constitutional issue is not strictly an Army vs. Civilian fight. The opposing alignments are on a much broader basis. It is a significant fact that political power, conceived as a trust of the financial and industrial interests, has been increasingly shifted from the regular party fold to the hands of the so-called "Young Officers."

The unanimity which the "Young Officers' Clique" has demanded of the Japanese nation in support of its policies is ironically enough not one of its own attributes. Differences as to methods have drawn a line between the pseudo-legal elements and the direct-action extremists, although their political objectives remain the same—i.e., Army supremacy, a totalitarian state and world conquest. While the latter works for the overthrow of the present system of government by

sheer force and violence, even at the expense of Army discipline and morale itself, the former counsel the "reformation" of politics by more dignified and less risky means. They want to divest the civilians of their power without, however, sanctioning indiscipline and license on the part of the rank and file of the Army. It is their idea that the constitutional elements could be led to vote themselves completely out of existence. The period immediately following the Manchurian incident was marked by the ascendency of the extremists championed by warlords Araki and Mazaki. After the retirement of the two leaders the power of the hotheads waned and soon was superseded by that of the pseudo-legel elements of whom General Hayashi is the present standard-bearer.

The position of General Hayashi in the Army gave him a vantage point to force his group of demands on the nation. By posing as the only force that could keep the military under restraint, he undertook as War Minister in the Okada Cabinet to "purge" the Army at the stipulated price that the Cabinet should carry out his ideas on administrative "reforms". The same demand was made by General Count Terauchi on the Hirota Cabinet with the result that fascist tendencies of the government became more and more pronounced. When, therefore, the Army boycotted General Ugaki in order to install General Hayashi in power, the fascist-militarists set great store by what they considered a smashing victory.

Owing to widespread resentment against Army intervention in politics, the Hayashi Cabinet and its Army masters remained for a short while on the defensive. But after the passing of the record "national defence" budget by the Diet, they felt sufficiently cerefidend to launch their fascist program by dissolving the legislature. This move appeared as a preconceived plan of the fascists to defeat the constitutional elements and confuse their opposition. Added significance must be attached to the fact that the motion for dissolution came this time from the Navy Minister Admiral Yonai. As there had been some speculation about a cleavage of opinions between Army and Navy the admiral's move may have been calculated to impress the nation with the solidarity of the military fascist front.

In challenging the major political parties to an electoral contest, however, General Hayashi evidently underestimated their strength. He failed to see that although they could be lulled to sleep, they could not be forced to give up power without a struggle. Since the dissolution Gen. Hayashi has further betrayed his weakness and uncertainty by his frantic yet ansuccessful appeals to Baron Hiranuma, Prince Konoye and Mr. Hirota to assume the leadership of a new pro-Government party of which he himself has neither the idea as to its components nor the courage to be its leader. His tactics of merging the bureaucratic Showakai, the ultra-nationalistic Kokumin Domei and other small fascist groups and of drawing upon defections from the two major parties have aroused little enthusiasm. In similar vein was the reception of his election platform. The three fundamental principles of a "clarification of Japan's peculiar national polity", of national defence and of development of national resources were the hackneyed battle-cries of the fascists and the 8-point program contained platitudes which satisfied no one. As the days pass a crushing defeat of the Government at the polls looms more and more as a certainty.

A victory of the major political parties would leave two alternative courses open to the Government. If the verdict is overwhelmingly against it—which as things stand is likely—the Government would have to accept defeat and resign accordingly. Should, however, the results of the polling concede only a narrow majority to the opposition parties, it is possible that the Hayashi Cabinet will cling to office and recommend another dissolution in the hope of finally cowing the parliamentarians into good behavior toward the Government. These courses are open in so far as what little constitutionalism now remains in Japan may be adhered to in the coming struggle.

A grimmer possibility has yet to be considered—that of the extreme fascists joining the fray. The hotheads have so far kept themselves in the background because Hayashi and his pseudo-legal group have been able to achieve fascist aims by smoother means. Now that he has taken a false step will the forces behind him acquiesce in his defeat, or will they come into the open, take the law into their own hands and destroy the last vestige of constitutionalism in Japan? To his momentous question events of the coming few months should provide an answer.

C. Y. Hsieh 謝志耘

Movements and Appointments in Diplomatic and Official Circles

President Lin Sen returned to the Capital April 17, after a short visit to Nanchang, provincial capital of Kiangsi.

Chen Kung-po took up his duties as Director of the Central Party Mass Training Department at Nanking, April 17.

The 64th birthday of General Wu Pei-fu, former Chihli warlord of the Peking regime, was quietly celebrated at Peiping, April 17.

Liu Shang-ching, retired Government official, has been appointed to the post of Chairman of the Anhui Provincial Government.

Prince Yun-Tuan-Wang-Chu-Ko, member of the National Government Committee, is reported to be seriously all at his palace in the territory of the Ta-Erh-Han Banner, northern Suiyuan. Prince Yun is the hereditary prince in Inner Mongolia and was once president of the Ulanchab League.

A dinner in honor of the foreign diplomatic representatives at the Capital was given by Dr. Wang Chung-hui, Minister of Foreign Affairs, at the International Club in Nanking April 20.

Advised by his physicians to take a rest cure for a slight indisposition Gen. Yen Hsi-shan, Vice-Chairman of the Military Affairs Commission and Pacification Commissioner for Shansi and Suiyuan, is spending a vacation at his native town, Hopientsun, accompanied by Madame Yen.

Gen. Ho Ying-chin, Minister of War, after proceeding to Ningpo where he attended the memorial services for the late Chiang Hsi-hou, elder brother of the Generalissimo, returned to Nanking April 18.

Dr. Wang Chung-hui, Minister of Foreign Affairs, received Dr. Oskar P. Trautmann, the German Ambassador, April 16.

Sir Hughe Montgomery Knatchbull-Hugessen, the British Ambassador, called on Hsu Mo, Political Vice-Minister of Foreign Affairs, April 16.

Lieutenant-Colonel A.B. Thomson, of the Buffs, has been appointed Assistant Adjutant and Quartermaster-General in charge of the administration of British troops in China, with effect from October 2, 1937.

Shigeru Kawagoe, Japanese Ambassador to China, is sailing for Tokyo from Shanghai on May 2 to discuss Sino-Japanese relations with leaders of the Imperial Government.

Eiichi Iwai, Acting Consul General in Chengtu, departed this week for Japan, where he will become the Director of the Information Bureau.

The death occurred at White Sulphur Springs, West Virginia, April 13, of Larz Anderson, who was American Ambassador to Tokyo in 1912.

Chinese Diplomatic and Consuls Abroad to Receive Increased Allowances

It is understood that, beginning July 1, the commencement of the 26th fiscal year (July 1, 1937-June 30, 1938), the expenses for the diplomatic and consular services abroad will be increased, and provision therefor made in the new Budget. More liberal allowances will be granted, in accordance with a proposal submitted by Dr. C. T. Wang, Ambassador-Designate to the United States, to the 3rd Plenary Session of the 5th Central Executive Committee in February, which subsequently referred the proposal to the competent organs for consideration.

Old Pirate Headquarters in South China to Be Converted into First-Class Fortress and Air Base

BY THE REVIEW'S SOUTH CHINA CORRESPONDENT

REFORTIFICATION of the eastern Kwangtung coast involving the conversion of the notorious pirate headquarters Bias Bay and Mirs Bay into a first class fortress and air base is the momentous suggestion which has been made by a high official and naval expert of the Kwangtung Government. For many years Bias Bay has given the government in South China much bad advertisement because of the numerous piratical attacks on coastal steamers, using Bias and Mirs Bays as the centers of their operations.

Because of the presence of large bands of pirates in the area and its comparative isolation from the outside world Bias and Mirs Bays are little known to the outside world. The following comprehensive review of Bias Bay's geographical conditions, its people, operations of its pirates and the proposed fortification scheme by a Chinese naval expert who has been connected for many years with the Chinese Garrison stationed in Bias Bay will, therefore, make some interesting reading. Situated between two eastern Kwangtung coastal districts—Weiyang and Paoan hsiens—the name of Bias Bay first made its appearance on British naval maps published in 1845. Further south and nearer to Hongkong and Canton also along the coast is Mirs Bay 馬亞士灣 which is included in the territory of the Paoan District, but Mirs Bay was leased to the British Government on June 9, 1898 by a treaty signed between China and Great Britain *i.e.* between the late Li Hung-chang and Hsu Ting-k'uei for China and Claude M. MacDonald for Great Britain. The agreement is diplomatically known as Convention for the Extension of Hongkong, 1898, in which one of the clauses states this: "The area leased to Great Britain as shown on the annexed map includes the waters of Mirs Bay and Deep Bay, but it is agreed that Chinese vessels of war, whether neutral or otherwise, shall retain the right to use those waters."

Military Importance of Swatow

But the importance of Bias Bay and the urgent necessity of building fortresses there by the Chinese Government lies in the fact that Bias Bay is the gate-way to Swatow and all the eastern Kwangtung districts. At present eastern Kwangtung is absolutely defenceless against attack by the enemy's warships from the coast along Bias Bay, extending a distance of many miles. As South China possesses no warships worth speaking about and there is no fortress at Bias Bay it is presumed that hostile naval forces can land on Bias Bay and occupy its adjacent district Tamshuihui 淡水墟 with the least difficulty, because there is a highway connecting the coast with Tamshuihui, which represents a distance of only 25 miles. From Tamshuihui the enemy can easily reach Waichow by another newly finished highway—the Tamshuihui-Waichow highway, a distance of eighty miles.

Waichow was once a walled city which in 1920 to 1923 withstood the late Dr. Sun Yat-sen's Nationalist troops for many months without any success, fighting against a small force under the late General Chen Kwingming, who held out inside Waichow. But that was the time when airplanes were not used in Chinese civil warfare.

From Waichow the enemy can continue their march on land to another important district, Cheung Muk Tau, a distance of ninty miles. Cheung Muk Tau is the well known station along the Chinese section of the Kowloon-Canton Railway. Once Cheung Muk Tau is occupied the hostile forces can reach Canton by train within two hours.

Making Bias Bay impregnable against enemy attacks not only offers a much-desired defence work for Canton, but it will make Swatow, foremost eastern Kwangtung sea-port, more difficult of penetration by the enemy's warships or land forces. In this connection the importance of Swatow as the wall of defence for the Kwangtung capital cannot be over-emphasised, because it has been often pointed out by Chinese military experts and proved in the civil wars of Kwangtung during the past 26 years that once Swatow is lost Canton is a defenceless city. There have been many examples in which the loss of Swatow precipitated the loss of Canton City to the Government controlling Kwangtung. The most recent example that can be cited was in the case of the collapse of Chen Chi-tang's military government in Canton last July. When the Swatow garrison commander, General Li Han-wan, declared his independence from Chen Chi-tang, pleading allegiance to the Nanking Government, the Canton regime collapsed within a week. The outgoing officials realized that Swatow troops can be sent down to attack Canton by quick march within a few days, and without Swatow and Waichow Canton has little military value.

Proposed Refortification Scheme

In the proposed refortification of Bias Bay it is suggested that fortresses should be immediately built thirty miles along this coast. Bias Bay, Nam Tow (in north-western Kowloon) and the British controlled Kowloon stand out on the coast in triangular positions. The writer gave a report of the refortification of Kowloon and the British intention to enlarge the air base there in a recent article published in *The Review*, and if equally strong fortresses are built in Bias Bay and Nam Tow, and with probable Sino-British co-operation, the defence of Kwangtung coast can be made impregnable from attacks by China's militaristic neighbors. It is learned from former garrison officers of Bias Bay that in Penghoi (平海) on the eastern side of the Bay there is an old fortress, which was built in the Manchu Dynasty. Another old fortress is found in the Fan Woo Kong 範和港 which is in most deteriorated condition because all these old fortresses lacked the proper attention during the years of the Republican Government. In the Oi Tow Kong 澳頭港 an old fortress was found partly finished, which has been found to be another structure built by the Manchus. For many years Bias Bay's garrison work was hopelessly neglected and the whole country was made the play-ground of hundreds of armed pirates. A proper garrison headquarters under direct control of Canton was not established there until the summer of 1934. A full regiment of troops was stationed there, with a small radio station opened, which until to-day maintains connections only with Canton and Hongkong. This is considered inadequate for defence purpose and should be immediately improved by Canton. In 1935 the garrison troops were reinforced by another regiment of Cantonese troops, making up the total force to two regiments. Since then certain trenches have been dug in the more strategic positions, which were intended for precaution against pirate activites. A number of watch towers were built and since that time Canton has a small gunboat on constant duty there. For some years the Hai Fu was on duty, but the patrol was aimed at the prevention of pirates.

It has also been pointed out by the naval experts that not only the garrison troops in Bias Bay need further reinforcements to many regiments but cement concrete fortresses, barracks and towers for the installation thereon of powerful searchlights should all receive the immediate attention of the army authorities in Kwangtung. The locality, because of its proximity to Hongkong, Canton and Swatow, offers an ideal place for a gigantic airdrome.

Fishery Industry Possibilities

With its many villages situated along the coast Bias Bay can be made into a fishery center, if the place is properly equipped with electric and ice manufacturing plants. Another pressing need is the opening up of more schools for the education of the ignorant villagers. Given proper training the villagers can find lucrative occupation for themselves by engaging in the works of the fishing stations. Under efficient and scientific management the fishing industry can be so developed as to offer competition to the fishing boats now operating with much profits in Hongkong and Macao.

With an abundant supply of fish and sea products canning factories can also be opened. Because of insufficient military protection and the depression of Bias Bay area a big glass factory there which was once the property of a Cantonese merchant named Cheung suspended operations some years ago. It is suggested also that if the Canton Government takes over this factory and add new machinery the concern can be made into a lucrative business, as raw materials are most plentiful on the coast for the making of glass of any description.

Road building is another item which should receive the early consideration of the garrison officials there, because if fortresses are built there more roads will be required to connect the more important towns of Bias Bay such as Limshan 稔山 Pingshan 平山, Penghoi 平海, and Fan Woo Kong 範和港. With a long mountain range of many hundred miles around the Bay exploitation of the mineral resources can bring tremendous profits to the government, which will cover all expenses in connection with the building of the fortresses and fishery stations. Another business which can yield profits to the government is the running of government-owned launches between the various coastal towns.

Many Generations of Pirates

Referring to the exploitation of coast by the pirates during the early years of the Republican Government the naval expert pointed out to the writer that for many generations pirates have made Bias Bay their center of operations. Most of the pirates come from Limchow and Fan Woo Kong. In these two districts some of the pirates had been there for many generations, whose fathers and fore-fathers were all pirates looking to their adventures on the sea to support their families. Although only two conspicuous piracies occurred during the past two years, the origin of which could be traced to Bias Bay, not many years ago every piracy on the China coast could be traced back to this notorious headquarters of the buccaneers. Not only the piracy racket was handed down from generation to generation, but the ringleaders were

mostly wealthy land-owners of Bias Bay and each of their exploitations was backed by large sums of money spent on finding out the exact movements of the steamers, the number of passengers and cargo carried and for the purchase of arms and smuggling of the same into the marked vessels.

Before the establishment of the Nationalist Government, when the local governments of Kwangtung were more concerned with their petty civil strifes with the neighboring provinces and when Bias Bay was too remote (then without the convenience of the highways) to receive the attention of the provincial authorities, unscrupulous local troop commanders of Bias Bay often worked hand-in-glove with the pirates. For over ten years the Bay was garrisoned by the late General Tsoi Teng-hui, who our naval informant alleged to be not only an accomplice of the pirates but financed some of the piracies. Money and arms were given to the pirates by his former troops. But when the Canton higher military authorities learned of the nefarious deeds of Tsoi Teng-hui he was orderier of to be executed and his garrison dismissed and replaced by honest and more efficient garrison officers. Since the change of the Bias Bay garrison the troops there received direct orders from the Fourth Route Army Headquarters of Canton and as a result of big rewards offered for the arrests of all pirate ringleaders, succeeded in getting rid of most of the notorious chieftans of the place.

Deprived of the backing of the wealthy syndicates and with the supply of arms discontinued after the dispersal of the corrupt troop commanders Bias Bay pirates to-day only make their ventures on the high sea once in a long while; the recent attacks were made only on the smaller sailing boats and cargo junks. These small bands of pirates lack the previous organization and in some respects the presence of these pirate remnants can be blamed on the poverty of the rural districts in eastern Kwangtung.

Apart from the families of pirates, many of the villagers are good citizens, with about seventy per cent of them engaged in farming, the remainder being fishing folk.

By air Bias Bay is about forty miles from Hongkong, 100 miles from Canton and 40 miles from Waichow.

Canton, April 16, 1937.

American Woman Renounces Nationality as Protest Against Extraterritoriality

Imagine the naval vessels of China or any other nation anchored in various United States harbors, or sailing up the Mississippi as far as navigable, or anchored by its rivers, even in time of peace—each naval vessel flying its own national flag! Or imagine for a moment the courts of the various nations being established in the United States, the judges being appointed by and sent from the various nations; and all aliens in America being tried each in his own national court and according to his own national law for whatever offense—all the these alien citizens of other countries being entirely outside the jurisdiction of American courts and American law while they reside there.

"Such an imaginary picture of America," said Miss Cammie Gray of the Christian Girls' School in Nanking, who had recently taken out her naturalization papers as a Chinese, "is unthinkable, and would not be tolerated by the American Government, where all these extraterritorial privileges would be considered a positive offense against national sovereign rights. That is just how all patriotic national-minded Chinese feel about these same conditions existing in China today."

Miss Gray in a recent radio speech from Nanking explaining her reasons for becoming a Chinese citizen said the principal one was to renounce the whole principle of exterritoriality and to reject for herself all application of it. She said that through twenty-one years of close association with Chinese life, it had become entirely natural for her to think and feel and eat and live as a Chinese in all her daily relations and to feel entirely natural and "at home" in doing so by preference.

However, it was not a loss of feeling for the land of her birth which led her to take the step of becoming a Chinese citizen, Miss Gray said. For she shall always cherish the ideals of justice, of freedom of worship, freedom of speech, the moral training and progressive program of public education, the democratic opportunities for individual pursuits and attainments, and other characteristics of American civilization.

By family heritage, Miss Gray might be called "one hundred per cent American," *Central News* said. Born in a midwestern state, Miss Gray came from ancestors who have been citizens of America for generations. One of them fought in the American revolutionary War against England, one of them fought in the American Civil War, and in more recent times, some of her family fought in the American War against Spain in 1898, and also in the recent World War.

"Central China Daily News" Urges Abolition of Extraterritoriality

The abolition of the extraterritoriality enjoyed by foreign nationals in China for over 90 years was urged by the *Central China Daily News* in Shanghai in an editorial April 15 commenting on the long-standing problem of this country. Constituting one of the many "unequal treaties" forced on China by foreign powers extraterritoriality has caused untold humiliations and oppression, to this country during the last 90 years, the journal remarked. "Our 'friendly neighbor' in particular," the paper said "has utilized this special privilege to her own advantage and has undangered the existence of China, violated her territorial integrity and attempted to transform her into a virtual colony."

In this connection, the journal cited the present smuggling in China backed up by the consulates of this "friendly neighbor," the special organ operated by it at Chengchow, and the illegal trades carried on by people from Formosa in Amoy.

"The existence of this privilege," the journal emphasized, "not only constitutes a menace to China's soveriegnty and a violation of her judicial integrity, but also affects adversely her finance, military affairs, commerce and maintenance of peace and order. Its abolition, therefore, is necessary, in so far as the independence of the country and nation is concerned."

According to the paper, with the exception of Germany, Austria, Hungary, Soviet Russia, and Mexico, which abolished their extraterritoriality rights upon their own initiative, there still remain 15 countries enjoying this privilege, including Great Britian, United States, France and Japan.

In view of their friendly relations with China, the paper opined, it is not difficult for Great Britian and the United States to agree to the abolition of their extraterritoriality rights. But Japan is the greatest obstacle in the way of the solution of this problem.

Shanghai "Nippo" Says Extraterritoriality Is a Disgrace

"Extraterritoriality is both a disadvantage and a disgrace," declared the *Shanghai Nippo* in discussing the abolition of consular jurisdiction in China. "Japan, which has been the victim of this system for decades, until very recently, can appreciate China's attitude and feelings on the issue," the Japanese daily added.

Three factors were cited by the *Nippo* as being responsible for the current agitation for the abrogation of extraterritoriality. These were: Growing national unity; success in national rehabilitation; and Egypt's demand for the abolition of various extraterritorial privileges enjoyed by foreign subjects.

"China must not forget," the journal emphasized, "that before there can be talk of the rendition of extraterritorial rights, the conditions in the interior must become sufficiently secure for foreign lives and property.

"As soon as complete order is restored in the interior, extraterritoriality will naturally disappear," the daily concluded.

Montreux Conference Discusses Abolition of Exterritoriality in Egypt

A conference is at present in progress at Montreux, Switzerland, attended by delegates from the various Powers enjoying the privilege of capitulations (extraterritoriality) in Fgypt. One the most important items on the agenda, that is the transition period to complete the abolition of the capitulations, was discussed April 12. The French favor an 18-year period, while the Egyptians concede 12. Possibly a 15-year period will be accepted as a compromise. The British have proposed that a new Article be added to the Draft Convention based on the provisions of the Anglo-Egyptian Treaty, by which the King of Egypt would pledge himself to enact no discriminatory legislation of any kind against foreigners.

The Capitulations Commission, in discussing Article 1 of the Draft Convention unanimously agreed in principle on the abolition of capitulations, subject to slight alterations in the text of the original draft.

Nearly All the Fifty Thousand Chinese in Formosa Are Laborers

Owing to the intact business organizations in Formosa, Chinese overseas there have no chance to compete with the Japanese in any commercial or industrial enterprises, according to Y. M. Kwo, Chinese Consul-General in Formosa, who arrived in Shanghai April 13 en route to Nanking to report to Dr. Wang Chung-hui, Minister of Foreign Affairs. Practically all of the 50,000 Chinese residents in Formosa, Mr. Kwo revealed, belong to the laboring class, taking up odd jobs as miners, tailors, cobblers, and carpenters.

While most of the Chinese in Formosa come from Fukien owing the geographical propinquity of the province, natives of Kwangtung are also found in no small number on the island, Mr. Kwo said. In view of the difficulties faced by the Chinese overseas in Formosa, Mr. Kwo suggested that they might find a way out in their homeland.

According to Mr. Kwo, the Chinese overseas are prohibited to take back what they earned in Formosa to China in the form of cash. Furthermore, the Formosan law is also hostile to those who have handsome savings.

History of Extraterritorial Rights in China

BY W. K. LOO

THE system of extraterritoriality originated in Europe. It was a common practice in Europe during the Middle Ages for commercial towns to concede to foreign merchants the privilege of residing in separate parts of the town and being governed by their own national laws. Such practice died out with the growth of the principle of territorial sovereignty. In Turkey however, because of the religious character of the Mohammedan law—a law which was unknown to the Christian states, foreigners in Turkey continued to enjoy the privilege of being governed by their own laws. A system of "extraterritorial jurisdiction" was thus developed, based partly upon customs and partly upon treaties of unilateral obligation, known as 'capitulations', under which system foreign citizens were tried before diplomatic or consular courts operating in accordance with the laws of the several states. This system was gradually extended to non-Christian countries, whose customs and legal systems differed radically from those of Europe.

In early times China was separated from the West by oceans, desert, and mountain barriers and the Chinese people lived in seclusion up to the year 1517, which year marked the arrival of Portuguese who eventually had made Macao their trading settlement by 1550. Dutch and English merchants followed the Portuguese and arrived in the South by sea a century later.

During the eighteenth century the East India Company established itself at Canton and reaped profits in tea and silk. With the growth in number of British merchants at Canton, a 'factory' was established there, and British merchants sought to be governed by their own national laws. In 1770, a Select Committee of John Company's men was appointed to exercise some functions of an unrecognised extraterritoriality over the 'factory,' and in 1787, the Committee was endowed with statutory authority over British subjects trading in China. This episode marked the beginning of extraterritoriality in China even though China refused to recognize the Committee or its rights.

Following the First China War commonly known as 'The Opium War' in 1839, a series of unequal treaties were signed by China. Great Britain led the way in the signing of the Treaty of Nanking 1842. In this treaty however there was no provision for extraterritorial rights. France, America, Norway and Sweden followed and reaped their harvest in the treaties of Whampoa 1844, Wang-Hea 1844, and Canton 1847 respectively. These treaties mark the 'legalised beginning of the system of extraterritorial rights in China.'

France asked for extraterritorial rights in the Treaty of Whampoa 1844 which laid down the principle that in any dispute arising between French citizens and Chinese, if the guilty party be Chinese, he shall be arrested and punished by the Chinese authorities in accordance with Chinese law; and if the guilty party be a French subject, he shall be arrested and punished by the French Consul in accordance with the laws of France. This principle is found in Article XXVII of the treaty.

The same clause in the above article was reiterated in Article XXXVIII of the Treaty of Tientsin 1858; and Article XXXIX of the latter treaty supplemented the right of the French Consul to hear cases brought against French subjects by French subjects, or by subjects of any other Foreign Power without the intervention of the Chinese Authorities.

In the same year, America asked for recognition of extraterritorial rights in the Treaty of Wang-Hea (1844).

Article XXI of the Treaty provided that:

"Subjects of China who may be guilty of any criminal act towards citizens of the United States shall be arrested and punished by the Chinese authorities according to the laws of China, and citizens of the United States who may commit any crime in China shall be subject to be tried and punished only by the Consul or other public functionary of the United States thereto authorised according to the laws of the United States; and in order to the prevention of any controversy and disaffection, justice shall be equitably and impartially administered on both sides."

A similar clause regarding extraterritoriality was found in the latter part of Article XI of the Treaty of Tientsin (1858) between the United States and China which provided that ". . . Subjects of China guilty of any criminal act towards citizens of the United States shall be punished by the Chinese authorities according to the laws of China; and citizens of the United States either on shore or in any merchant vessel who may insult, trouble, or wound the persons or injure the property of Chinese, or commit any other improper act in China, shall be punished only by the Consul or other public functionary thereto authorised, according to the laws of the United States. Arrests in order to trial may be made by either the Chinese or the United States authorities."

In the same treaty, jurisdiction over disputes between American citizens and between American citizens and foreigners in China was also determined. Article XXVII of the Treaty of Tientsin (1858) provided that "All questions in regard to rights, whether of property or person, arising between citizens of the United States in China shall be subject to the jurisdiction and regulated by the authorities of their own government; and all controversies occurring in China between citizens of the United States and the subjects of any other Government shall be regulated by the Treaties existing between the United States and such Governments respectively."

By the Treaty of Canton (1847) Sweden and Norway obtained extraterritorial rights in Articles XXIV and XXV of the treaty. Russia sought the same rights in Article VII of the Treaty of Tientsin (1858). Germany asked for the same in Article 39 of the Treaty of Tientsin (1861).

Great Britain, which country had been enjoying to a limited extent unrecognised extraterritoriality since the days of the East India Company asked for explicit recognition in the Treaty of Tientsin 1862 and also in the Chefoo Agreement 1876.

Article XV of the Treaty of Tientsin provided that:

"All questions in regard to rights, whether of property or person, arising between subjects, shall be subject to the jurisdiction of the British authorities."

Article XVI of the same treaty provided that:

"Chinese subjects who may be guilty of any criminal act towards British subjects shall be arrested and punished by the Chinese authorities according to the Laws of China.

British subjects who may commit any crime in China shall be tried and punished by the Consul or other Public Functionary authorised thereto according to the Laws of Great Britain.

Justice shall be equitably and impartially administered on both sides."

The Chefoo Agreement 1876 laid down the judicial principle in Mixed cases that they should be tried by the official of the defendant's nationality, the official of the plaintiff's nationality merely attending to watch the proceedings in the interest of Justice.

This principle is found in sub-section 3, section II of the Chefoo Agreement which provided that:

"It is agreed that whenever a crime is committed affecting the person or property of a British subject, whether in the interior or at the open ports, the British Minister shall be free to send officers to the spot to be present at the investigation.

To the prevention of misunderstanding of this point, Sir Thomas Wade will write a Note to the above effect, to which the Tsung Li Yamen will reply, affirming that this is the course of proceeding to be adhered to for the time to come.

It is further understood that so long as the laws of the two countries differ from each other there can be but one principle to guide judicial proceedings in mixed cases in China, namely, that the case is tried by the official of the defendant's nationality; the official of the plaintiff's nationality merely attending to watch the proceedings in the interests of justice. If the officer so attending be dissatisfied with the proceedings, it will be in his power to protest against them in detail. The law administered will be the law of the nationality of the officer trying the case. This is the meaning of the words hui t'ung, indicating combined action in judicial proceedings in Article XVI of the Treaty of Tientsin, and this is the course to be respectively followed by the officers of either nationality."

It may also be mentioned that in view of the influx of Indian merchants into Tibet for trade, a separate agreement was signed between Great Britain, China, and the Tibetian Authorities in 1908 known as the Tibet Trade Regulation 1908. This agreement also provided for extraterritorial rights in Tibet. A clause was inserted in the agreement providing for the relinquishment of such rights "whenever such rights are extinguished in China, and when she is satisfied that the state of the Tibetan laws and the arrangements for their administration and other considerations warrant her in so doing. (See Art. V of the Regulation).

With France, the United States, and Great Britain taking the lead, other nations followed suit. Portugal obtained extraterritorial rights by virtue of Articles XVI and XVII of the Treaty of Tientsin 1862. Same rights were conceded to Demark by Articles XV and XVI of the Treaty of Tientsin 1863. Netherlands obtained extraterritorial rights by another treaty in the same year (See Article VI of the Treaty of Tientsin 1863). The following three years China conceded same rights to Spain (Art. XII, XIII and XIV of the Treaty of Tientsin 1864), Belgium (Art. XIX and XX of the Treaty of Peking 1865), and Italy (Art. XVI and XVII of the Treaty of Peking 1866). Austria Hungary obtained extraterritoriality in 1869 by the Treaty of Peking (See Art. XXXIX and XL of the Treaty). Peru, Brazil, and Mexico followed suit, and by Art. XIV of the Treaty of Tientsin 1874, Articles X and XI of the Treaty of Tientsin 1881, and Articles XIV and XV of the Treaty of Washington 1899, each was given extraterritorial rights accordingly.

Japan emerged from medieval seclusion when she went to war with China over Korea in 1894. The Treaty of Shimonoseki 1895 marked the aggressive attitude of Japanese policy in China in which treaty she acknowledged the independence of Korea. By a separate treaty one year later known as the Treaty of Commerce and Navigation 1896 Japan acquired extraterritorial rights in China and most-favored nation treatment.

Article XX of the Treaty of Commerce and Navigation 1896 provided the following:

"Jurisdiction over the persons and property of Japanese subjects in China is reserved exclusively to the duly authorised Japanese authorities, who shall hear and determine all cases brought against Japanese subjects or property by Japanese subjects, or by the subjects or citizens of any other Power, without the intervention of the Chinese authorities."

It may be interesting to note that after Japan acknowledged the independence of Korea, and before the latter was annexed by Japan, a treaty was signed between China and Korea in 1899 known as the Treaty of Seoul 1899 in which treaty mutual extraterritorial rights were conceded to each other.

Sweden made a separate treaty with China in 1908 known as the Treaty of Peking 1908. In this treaty Sweden renewed her extraterritorial rights (See Article X of the Treaty) which were given her in the Treaty of Canton 1847.

The above facts given in detail in regard to extraterritorial rights given to foreign powers during the Manchu Dynasty are apt to prove the weak-knee policy of that regime and the cause for its downfall. Nothing infringes more the principle of territorial sovereignty than the right of extraterritoriality. Other countries who were subject to this medieval practice during the nineteenth century had struggled and striven one after the other to have it abolished. After the Revolution of 1868, Japan took steps to release herself from the limitations imposed upon her sovereignty by the exemption of aliens from its local jurisdiction. The United States offered her a helping hand in attaining the object in 1878 but without success, and not till Great Britain took the matter seriously in 1894 did Japan receive her effective freedom from foreign control, and in 1900 Japan succeeded in the complete abolition of extraterritoriality. Likewise, Turkey announced the abrogation of the capitulations upon the outbreak of the World War, which, it asserted, restricted its sovereignty. The United States contested this unilateral action and the matter remained in suspense during the War. After the War, by the Treaty of Lausanne of 1923, the contracting parties accepted complete abolition of the capitulations.

With the increase of commercial and economic interests in China, foreign powers aimed at a better understanding with this country early in the twentieth century. Various commercial treaties were signed between foreign countries and China and in most of these treaties, a clause providing for relinquishment of extraterritorial rights could be found.

Great Britain took the lead in the Anglo-Chinese Commercial Treaty of 1902 (also known as the Mackay Treaty) in which treaty Great Britain undertook to relinquish the privileges of extraterritoriality if and when China put her house in order. Article XII of the treaty may be quoted as follows:

> "China having expressed a strong desire to reform her judicial system and to bring it into accord with that of the Western nations, Great Britain agrees to give every assistance to such reform, and she will also be prepared to relinquish her extraterritorial rights when she is satisfied that the state of the Chinese laws, the arrangements for their administration, and other considerations warrant her in so doing."

The United States also agreed to relinquish her extraterritorial rights by the Commercial Treaty of 1903, and the above clause governing relinquishment was reproduced in Article XV of the treaty.

On the same day when the United States signed the agreements, Japan also undertook to relinquish extraterritorial privileges by a separate treaty known as the Supplementary Treaty of Commerce and Navigation 1903, in which treaty the same clause was also reproduced in Article XI.

Sweden also announced her desire to relinquish her extraterritorial rights "as soon as all other Treaty Powers have agreed to relinquish their extraterritorial rights." in the Treaty of Peking of 1908.

The following years up to the end of the World War marked no progress in China's attempt to abolish extraterritorial rights partly because China was busy in the awakening of nationalism which resulted in the Revolution of 1911 and the formation of the Chinese Republic, and partly because the foreign powers had no time to divide their attention during the War when their very own national existence were at stake.

In 1917, China declared war on Germany and the Allied Powers undertook to consider China's claims. Speeches of Allied statemen like President Wilson and Lloyd George, who had more than once expressed their readiness to relinquish all privileges in China, aroused the liveliest hopes of the Chinese people. China had reasons to expect at the Armistice and at the Paris Conference that the abrogation of unequal treaties and the abolition of extraterritoriality would be a foregone conclusion. Despite her failure in this respect, nevertheless by entering the War, China had her compensation. She succeeded in attaining the object of cancelling unequal treaties with the Enemy Powers; thus extraterritorial rights of Germany and Austria Hungary were abolished.

At the Paris Conference in 1919, the Chinese Delegation consisting of Dr. C. T. Wang and Dr. Wellington Koo, etc., submitted a memorandum to the Conference for the readjustment of Sino-foreign relationship. The abolition of extraterritorial rights was also mentioned in the memorandum, which may be quoted as follows:

> "With reference to the Consular Jurisdiction, that upon China's fulfilment of her undertaking by the end of 1924, firstly, to promulgate the Five Codes and, secondly, to establish new courts in all the districts which once formed the chief districts of the prefectural divisions, all the treaty Powers promise to relinquish their consular jurisdiction and the jurisdiction of their special courts, if any, in China; and that before the actual abolition of Consular Jurisdiction, the Powers agree:
>
> "(a) That every mixed case, civil or criminal, where the defendant or accused is a Chinese citizen, be tried and adjudicated by Chinese courts without the presence or interference of any consular officer or representative in the procedure or judgment.
>
> (b) That the warrants issued or judgments delivered by Chinese courts may be executed within the Concessions or within the precincts of any building belonging to a foreigner, without preliminary examination by any consular or foreign judicial officer."

The memorandum was argued at the Paris Conference without success and it was presented again at the Washington Conference in the 'Ten Points of China' in 1921. Point No. 4 provided that:

> "All special rights, privileges, immunities or commitments, whatever their character or contractual basis, claimed by any of the Powers in or relating to China are to be declared, and all such or future claims not so made known are to be deemed null and void. The rights, privileges, immunities and commitments, now known or to be declared are to be examined with a view to determining their scope and validity and, if valid, to harmonizing them with one another and with the principles declared by this conference"

Point No. 5 also provided that:

> "Immediately, or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional, and administrative freedom of action are to be removed."

As a result of the Washington Conference, a Commission on Extraterritoriality was appointed in order to take constructive steps to effect the abolition of extraterritoriality.

By the Sino-German Agreement of 1921, Germany formally acknowledged China's complete equality and absolute reciprocity. Germany relinquished extraterritoriality on the understanding that German litigants should only appear in modern Chinese courts. This gesture made Germany the first European Power to acknowledge and respect the absolute sovereignty of China.

Russia was the next European Power to renounce her extraterritorial rights. After the Russian Revolution in 1917, the Soviet Republic of Russia sought closer friendship with China with the aim to obtain recognition of the Soviet Republic. In 1920, formal diplomatic relations between Tsarist Russia and China came to an end, and between 1920 and 1924, even though the Russo-Chinese Treaties were not formally denounced, yet Russian nationals in China were in fact deprived of most of their extraterritorial rights and also the Russian Concessions were taken over by the Chinese Government. By the Russo-Chinese Agreement of 1924, diplomatic relations between Russia and China were resumed. This agreement annulled all existing treaties contracted by Tsarist Russia which affected China's integrity or interests. All privileges including Russian extraterritorial rights and consular jurisdiction were relinquished by Soviet Russia. This marked another step in the abolition of extraterritoriality.

Great Britain wanted to renew her promise in the Anglo-Chinese Commercial Treaty of 1902 and took interest in the abolition of extraterritoriality. In the British Memorandum on China which she communicated to the Representatives of the Washington Treaty Powers in 1926, Great Britain accepted the right of abolition but gave an excuse that the time was not ripe for its abolition due to the disintegration of China. However, she agreed that certain recommendations in the report of the Commission on Extraterritoriality could be carried into effect without delay.

The Report of the Commission on Extraterritoriality was signed by representatives of thirteen Powers in September, 1926, which recommended that, "when certain conditions have been satisfied, the Powers concerned shall relinquish extraterritorial privileges, it being understood that their nationals will then have the right to reside, trade, and enjoy civil rights in all parts of China." This Report represents the first constructive step taken collectively by foreign Powers.

Now ten years have elapsed without much being done in the abolition of extraterritoriality. It is justifiable for China to insist on its abolition at the present moment in the light of the twentieth century enlightenment. The above historical events in relation to extraterritoriality may lead to the following conclusion:

Extraterritorial rights were imposed upon China by foreign countries because of the fact the the laws of China during the nineteenth century differed so much from those of the Western nations that foreigners who newly adapted themselves in this country wanted to be governed by their own laws for fear that their rights and interests might be prejudiced. Citizens of Western nations were justified for specific reasons to ask that temporary measures be taken to ensure their personal safety pending the reform of the Chinese legal system. These measures took the form of extraterritorial rights and consular jurisdiction under which system foreigners involved in a civil or criminal proceeding are tried by Consuls of their respective countries under their own national laws lest they might be inequitably adjudicated in Chinese courts. These systems may be interpreted to be temporary as foreign powers had expressed their desire to relinquish such rights as soon as China takes steps to reform her legal system along the lines of the laws of the Western nations.

A united China is now an accomplished fact. The stability of the National Government is unquestionable. Civil and criminal Codes based upon the principles of European laws have been promulgated and put into practice. Rights of foreign citizens whether personal or real, are and will be highly respected and protected. Modern tribunals have been established. Qualification of judges have been strictly scrutinized in order to eliminate discriminatory judgments. It is time for European Powers to take collective action in relinquishing their extraterritorial rights as these rights are detrimental to the sovereignty of China.

Barrister at Law, Shanghai, April 17, 1937.

Shansi Floats a Loan with Government Subsidy as Security

With the monthly subsidy granted by the Central Government as security, a loan of $5,000,000 has been concluded by the Taiyuan Pacification Headquarters and the Shansi Provincial Government with the Central Bank of China, the Bank of Communications and the Farmers Bank of China.

Hankow to Float $4,000,000 Loan

The Hankow City Government will float a $4,000,000 loan on Sept. 1, the proceeds from which will be used for road construction and land leasehold payment. The principal and interest of the loan will be amortized in 10 years.

Silver Stocks of Japanese Banks in Tientsin to Be Handed Over to Chinese

As a result of protracted negotiations between the managements of the Japanese banks in Shanghai and the Central Bank of China, the silver stocks amounting to $1,670,000 held by the Yokohama Specie Bank, the Bank of Chosen and the Tientsin Bank in Tientsin will be handed over to the Chinese authorities, the *Sin Wen Pao* of April 15 announced.

Regulations of Central Reserve Bank Being Examined by Legislative Yuan

Dr. Ma Ying-chow, chairman of the Economic Committee of the Legislative Yuan, stated in Nanking April 14 that the draft regulations governing the organization of the Central Reserve Bank passed by the Central Political Council are being examined by himself and other members of the Yuan.

Hunan Budget Balanced at $19,882,919

The budget of the Hunan Provincial Government for the 25th fiscal year will be balanced at $19,882,919, according to the Department of Finance of the Hunan Provincial Government. Compared with the budget of the 24th fiscal year, Hunan is expected to collect $3,800,000 more of revenue and to spend $2,900,000 more this year.

K. C. Li, New Director of Central Trust, Returns to China from the U. S.

K. C. Li (Li Kuo-chin), newly appointed Director of the Central Trust of China, to succeed Yeh Cho-tang who has been transferred to the post of General Manager of the Chinese Farmers Bank, was expected arrive in Shanghai from America aboard the *President Hoover* on April 22 to assume his new post.

Crew of s.s. "Hai Heng" Gets Increase in Wages

The Ministry of Communications has granted the crew of the s.s. *Hai Heng* an increase in wages. The *Hai Heng* is the first steamer of the State-operated China Merchants' Steam Navigation Company sailing between the Philippine Islands and Amoy.

Large Crowd Present at Farewell Dinner to Dr. C. T. Wang, Ambassador Designate to the U.S.

More than five hundred guests, Americans predominating, were present at a farewell dinner and dance given given to Dr. C. T. Wang, Ambassador-designate to the United States, at the Columbia Country Club, Shanghai, April 19. C. E. Gauss, U. S. Consul General, in an informal speech praised Dr. Wang's ability as a diplomat, adding that Americans generally were highly pleased with his appointment to the post at Washington. Dr. Wang replied in his usually felicitous vein.

Dr. Wang was also honored at a tea reception given in the afternoon in the Park Hotel, at which the hosts were approximately 60 organizations, including the Shanghai Chinese Chamber of Commerce, the Civic Association, the Chinese Y.M.C.A., the Universities and Colleges Association, the Shanghai Bar Assciation, the Chinese Institute of Pacific Relations, the Pan Pacific Association, the World's Student Federation, the Chinese Bankers Association, the Shanghai Labor Union, the Chinese Ratepayers Association of the International Settlement and the French Concession, the American University Club, the China Institute of International Relations and others.

Dr. C. T. Wang, Ambassador Designate to the U.S.

Dr. J. Usang Ly, who presided, in a neat speech, praised Dr. Wang for his work during three decades in various fields of government and civic endeavor. Dr. Ly mentioned the close relations between China and America, not only in culture and education but also in trade.

Dr. Wang Hsiao-lai, President of the Chinese Chamber of Commerce, in a short speech described Dr. Wang as one of China's ablest diplomats.

Three teas and a dinner were given in Dr. Wang's honor April 20. Acting Mayor O. K. Yui and Mrs. Yui gave a tea at the reception house of the City Government in the French Concession, at which Nelson T. Johnson, American Ambassador, was a prominent guest. At a tea reception given at the Missions Building by 21 Christian organizations, Dr. Wang was presented with a Bible by Dr. W. Y. Chen, General Secretary of the National Christian Council. A reception for Dr. Wang was given by his fellow provincials at the Ningpo Guild, at which Yu Ya-ching was the principal host. Dr. and Mrs. Wang were entertained in the evening a dinner given jointly by Wang Hsiao-lai and P. K. Chu.

The farewell dinner which was scheduled to be given April 16 by 26 Christian organization in Shanghai at the Chinese Y.M.C.A., Boulevard de Montigny, to Dr. C. T. Wang, Chinese Ambassador-designate to the United States, was cancelled.

Departure of Dr. C. T. Wang Postponed Until May 4

It was announced April 20 that Dr. C. T. Wang, Ambassador designate to Washington, had postponed his departure from Shanghai until May 4, when he will sail on the s.s. *President Hoover*.

Eight Bandit Chieftains on Fukien-Chekiang Border Surrender to Government Forces

Eight bandit chieftains, including Wang Shou-hsi, who had been responsible for spreading terror on the Fukien-Chekiang border for years, recently surrendered to the Government forces. *Central News* says the desertion of these bandit leaders will spell the doom to the remnant outlaws on the provincial border as a large group of their followers are also expected to come to the Government fold soon.

China to Make Counter Demand for Abolition of Permanent Leases

The Ministry of Foreign Affairs this week received an official communique from the Japanese Government demanding the abolition of permanent leases to foreign nationals in Japan. It is reported that the Ministry of Foreign Affairs has decided to take this opportunity to demand the abolition of Japanese permanent leases in China, under the principle of reciprocity. The reply to the Japanese communique will be sent to Tokyo in the near future.

Kawagoe to Submit Six-Point Memorandum to Tokyo; Abolition of East Hopei Regime Mooted

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Japanese Ambassador Returning May 2, Submitting Memorandum to Tokyo.**
2. **Tokyo Press Launches Campaign Against China, Alleges War Preparations.**
3. **Abolition of East Hopei Regime Mooted, Yin Appeals to Japan For Help.**
4. **Tour of Hopei Officials to Japan Said Without Political Significance.**
5. **China's Achievements During Past Decade Reviewed by Chairman Lin Sen.**
6. **General Chiang Kai-shek Arrives at Shanghai from Hangchow by Air**
7. **Dr. H. H. Kung Inspects Singapore Naval Base, Feted by Bombay Governor.**
8. **Three Sentenced to Death for Attempt on Lives of Nanking Leaders.**

Japanese newspapers in Tokyo report that S. Kawagoe, Japanese Ambassador to China, will submit a six-point memorandum to the Tokyo Government after his return from China on May 2. It is reported to be as follows:

(1). That the Chinese Government is making rapid progress in the unification of the entire country,

(2). That the Chinese Government sincerely hopes the solution of the North China problems and other local incidents,

(3). That special attention should be paid to the rapid development of Sino-British economic co-operation,

(4). That the Japanese Government should pay special attention to the Five-year plan of reconstruction of the National Government,

(5). That the Japanese activities in China should be readjusted and strengthened and that the organizations established by different ministries in China should be concentrated and that an "Economic Embassy" should be established to control all the economic activities in China, and

(6). That the Japanese Government should be sympathetic in her negotiations with China regarding the abolition of extra-territoriality.

It is generally believed in Nanking the Mr. Kawagoe will most likely not return to China after his return to Tokyo on May 2 and that if Gen. Hayashi remains Premier of Japan after the re-organization of the Japanese Diet, K. Kodama, who visited China recently as head of the Japanese Economic Mission, will be appointed Japanese Ambassador to China.

According to a special despatch in the *Tokyo Asahi* April 18, the most important proposal Mr. Kawagoe will make to the Tokyo authorities, will be the establishment in China of an "Economic Embassy," which will exercise control over all Japanese economic activities in China.

While China is "earnestly seeking" a readjustment of Sino-Japanese relations, she has not yet determined what attitude to pursue. This view was expressed at Nanking April 19 by Shigeru Kawagoe, Japanese Ambassador, following a one-hour interview with Dr. Wang Chung-hui, Chinese Foreign Minister. Mr. Kawagoe's call was for the purpose of bidding farewell to Dr. Wang previous to his impending return to Tokyo on furlough.

During Mr. Kawagoe's call, Dr. Wang questioned Mr. Kawagoe on the reported six-point program on Sino-Japanese relations which the latter, according to reports, was to submit to the Japanese Foreign Office upon his return. Mr. Kawagoe replied that the reported six-point program was but a conjecture on the part of the Nanking correspondent of the *Tokyo Asahi*.

TOKYO PRESS LAUNCHES CAMPAIGN AGAINST CHINA, ALLEGES WAR PREPARATIONS

A flood of bellicose reports was unleashed last weekend by leading papers in Tokyo concerning Sino-Japanese relations, lending suspicion to the existence of an inspired press campaign, according to a *Central News* dispatch. These reports printed on first pages with large headlines have had aroused keen interest of the Japanese people, and caused no little painful surprise in others. China was openly described as preparing war against Japan by the *Tokyo Yomiuri* in a sensational report appearing on April 16. The next day it followed with another front page story alleging that extensive plots were being completed by the Chinese Government to instigate Manchurians, Mongolians and Koreans to launch independent movements against Japan. To support its claims, the *Yomiuri* also printed in its pages a "War Map," showing China's three alleged lines of defence and the situation of her important air bases.

The Tokyo *Nichi Nichi* reported that the Mission of Dr. H. H. Kung, Special Ambassador to the London Coronation, was to induce Great Britain and the United States to form a junction and to effect a blockade against Japan in case of war. The same report also stated Gen. Chang Chun, former Minister of Foreign Affairs, will have a similar mission in his forthcoming trip braoad. In another headline April 18, the *Nichi Nichi* continued to report the existence of ulterior motives in China's Coronation Delegation to London. China, it reported, will urge a collective security pact between herself, Great Britain, the United States, and several other countries having interest on the Pacific to guarantee the peace of the Far East. Such a system, the *Nichi Nichi* further alleged, would be a menace to the very existence of the Japanese Empire, and must be fought by Japan to the last ditch.

ABOLITION OF EAST HOPEI REGIME MOOTED, YIN APPEALS TO JAPAN FOR HELP

Liquidation of the East Hopei autonomous administration, reportedly desired by the Nanking Government, "cannot become an issue between Japan and China, because Japan was not concerned in the creation of the East Hopei regime," a spokesman of the Gaimusho said April 19. Japan, however, he pointed out, "feels concern for the maintenance of peace and order in regions contiguous to Manchukuo." This statement was made in comment on the appeal of Yin Ju-keng, chief executive of the Tungchow administration, to Japan to reject Nanking's asserted demand for the dissolution of the East Hopei Autonomous Anti-Communist Government. In his appeal, Mr. Yin denounced the Nanking Government for "instituting totalitarian despotism." The guiding principle of the Nanking Government, the appeal declared, consists of relying upon European and American powers and resisting Japan, "whom it regards as its hypothetic foe." The appeal also alleged that the "totalitarian party of Kuomintang is co-operating ideologically with the Communists and the Soviet Union."

While attempts are being made by the Hopei-Chahar Political Council in sending Chen Chung-fu, former chairmen of the Foreign Affairs Committee of the Council, to Japan to negotiate for the abolition of the bogus East Hopei regime, Shih Chung-mei, secretary-general of the bogues regime, has also gone to Japan by way of Manchuria to seek for support of the Japanese military to maintain the *status quo* in the area.

A decree was issued by the puppet state in Eastern Hopei April 19, ordering the burning of all books relating to the prinicples of the Kuomintang, according *Sin Wan Pao*.

Kenji Kodama, head of the Japanese Economic Mission, called on Foreign Minister Sato April 8 and in a report submitted to him, explained the latest political and economic situation in China. He made important recommendations to the Foreign Minister regarding Sino-Japanese relations along political and economic lines. In regard to political issues involved, Mr. Kodama mentioned adjustment of the North China political regimes, especially the East Hopei autonomous government, and the East Hopei special trade issue as the first step for removal of the Sino-Japanese deadlock.

TOUR OF HOPEI OFFICIALS TO JAPAN SAID WITHOUT POLITICAL SIGNIFICANCE

No undue significance should be attached to the forthcoming visit to Japan of the Hopei-Chahar investigation party, says a *Central News* report. The tour, under the leadership of Gen. Chang Tse-chung, Mayor of Tientsin, it is stated, is devoid of any political mission.

Interviewed by Chinese pressmen April 16, Major Imai, Assistant Japanese Military Attache in Peiping, said that Sino-Japanese negotiations regarding the construction of a railway between Tientsin and Shihchiachwang and the development of the mines at Lungyen had been proceeding very smoothly but no agreement had yet been reached. Major Imai confirmed the report that a number of high Hopei and Chahar officials were going to Japan shortly on a mission of inquiry and investigation.

The *Sin Wan Pao* said April 16 that the real significance of the trip of this delegation to Japan is that the tour was financed and instigated by the Japanese with ulterior motives. It should be noted that Gen. Chang Tse-chung and other members of the delegation used to be most "anti-Japanese." The real intention of the Japanese is to eradicate the thoughts of anti-Japanism from the simple-minded North China generals. General Sung Cheh-yuan, it is stated, was strongly opposed to the investigation trip to Japan.

If Japan desires to seek real economic rapprochement with China, she should negotiate directly with the Central Government, declared T. Kawai, former Japanese Consul-General at Shanghai, who arrived at Tokyo April 19 to take up his new post as Chief of the Information Bureau of the Gaimusho. Recounting his impressions of China, Mr. Kawai emphasized the centralization of China's economic structure and heightening of the National Government's authority over currency and industrial matters. He

also urged that efforts should be redoubled to thoroughly readjust the political relations between the two countries and that a stable policy be formulated toward China.

KATO DENIES JAPANESE INVITE PEIPING PRESS PARTY TO VISIT JAPAN

Denjiro Kato, first secretary of the Japanese Embassy in Peiping, publicly denied April 20 that the Japanese Government had invited the party of 12 Peiping newspapermen now touring Japan. The Japanese official asserted that the members of the group had not been invited by the Japanese Government but had taken the trip "on their own initiative." "It is to be regretted that the Shanghai Newspapermen's Association should have slandered their colleagues because of an error in fact," Mr. Kato said. The Japanese authorities only gave the visitors some facilities and did not provide the party with traveling expenses or other funds.

Although quarreling with each other from time to time, Japan and China must join hands in opposing intervention by third parties in their affairs, Eiji Amau, the outgoing Director of the Gaimusho's Information Bureau, told the visiting Peiping newspapermen April 16. "Speaking as a Japanese and an Asiatic," Mr. Amau declared, "I must emphasize the need for a readjustment of Sino-Japanese relations at the earliest possible date.

With a call on Naotake Sato, Foreign Minister, morning of April 15, the 12 visiting Chinese newspapermen from Peiping visited at noon Prince Fumimaro Konoye, president of the Toa Dobunkai and president of the House of Peers. In the afternoon, they visited the headquarters of the *Domei News Agency*, the *Tokyo Asahi* and the *Tokyo Nichi-Nichi* newspapers. The group left Tokyo April 23, for a visit to Hakone, Nara and Kyoto. On April 26, the visitors will board the Fusan-bound ferry from Shimonoseki to visit Korea and Manchuria.

The Peiping Chinese newspapermen's investigation party to "Manchukuo" and Japan was severely censured in a statement issued by the Shanghai Newspapermen's Association April 15. The statement said that the investigation party is being subsidized by "certain country," and their acceptance of said subsidy alone, it added, is an insult to the conduct of Chinese journalists and the prestige of the nation.

"MAINICHI" ALARMED BY NANKING'S FRONTIER POLICTY

Concern over Nanking's efforts to strengthen its control over the frontier areas was expressed April 15 by the *Shanghai Mainichi*. As long as these activities are confined to districts lying within China proper, they can meet with no objections, said the daily. Japan, however, must keep a strict watch over Nanking's activities in areas outside of its control, the journal added. Among the evidences of China's growing interest in the frontier problems, the *Maiuichi* listed: The recent visit of Wang Ching-wei, Chairman of the Central Political Council, to Suiyuan; The appointment of the "Chang Chia" Living Buddha as a member of the State Council; and the recent visit to the Capital by Prince Sha, Chairman of the Autonomous Mongolian administration.

The first army of the Central Government, commanded by Gen. Hu Chung-nan, is now in the process of being transferred from Kansu and Shensi provinces to the Hsuchow and Pengpu districts. Considerable significance is being attached by *Shanghai Mainichi* to this transfer in view of the fact that the First Army is the strongest force of the Central Government. The new positions which it will occupy are of great strategic importance from the point of view of war with Japan. It is clear that the move is a step in the direction of realizing the Government's plan to fight Japan.

"Extraterritoriality is both a "disadvantage and a disgrace," decleared the *Shanghai Nippo* April 19, in discussing the abolition of consular jurisdiction in China. "Japan, which has been the victim of this system for decades, until very recently, can appreciate China's attitude and feelings on the issue," the daily added. Three factors were cited by the *Nippo* as being responsible for the current agitation for the abrogation of extraterritoriality. These were:

1. Growing national unity;
2. Success in national rehabilitation; and
3. Egypt's demand for the abolition of various extraterritorial privileges enjoyed by foreign subjects.

The recent movement started by various Chinese organizations in Shanghai for the abolition of extraterritoriality in China is regarded by the *Ta Kung Pao* as only a preparatory step toward that goal and opines that unless China becomes a strong nation she can not easily hope to achieve that end. When the right time arrives, the paper said, the extrality privilege enjoyed by foreigners will be fundamentally abolished by a mere announcement. The reconstruction of the country and the resistance against Japan are the two urgent problems confronting China today, the paper added. The Chinese people should concentrate their efforts along these two lines within these five of ten years. If they succeed, the abolition of extrality will not be too difficult.

"TA KUNG PAO" URGES NATION TO TRUST JAPAN'S SINCERITY

Dwelling on the subject of the future relations between China and Japan, the *Ta Kung Pao*, in an editorial April 15, urged the Chinese people to place confidence in the sincere intention of the Japanese to improve her relations with China. The article says in part:

"In brief, China's policy towards Japan has now been definitely fixed. We should not reject any offer from the Japanese for cooperation, and, at the same time, we will resist any further invasion by the Japanese."

SUNG CHEH-YUAN STRESSES IMPORTANCE OF SELF-TRAINING IN ADDRESS

The importance of self-training was emphasised by General Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council, in an address April 15 before senior officials of the Council and members of the various commissions under the control of the Council. High officials, General Sung said, must pay attention to their work and to that of their subordintaes. They must set an example in respect for the law and in the faithful performance of their duties.

General Wei Tsung-han has declined the offer of the Chairmanship of the Foreign Relations Commission of the Hopei-Chahar Political Council, according to a *Reuters* report. Chia Teh-yao will remain in charge of the affairs of the Commission until a new appointment is made.

The foundation stone of the new Japanese Santai Cotton Mill, of the Shanghai Cotton Manufacturing Company, was laid at Tientsin April 18. Capitalized at $1,200,000, the new factory will start operation within this year.

The Formosan authorities have issued an order prohibiting the publication of Chinese "supplements" by the newspapers on the island beginning from June 1. Another order has been issued banning the use of Formosan dialect which is similar to Amoy dialect while efforts will be made to popularize the Japanese language in Formosa.

Governor Kobayashi of Formosa will visit Amoy in the middle of May while on a goodwill tour to Hongkong, the Philippine Commonwealth and the South Seas, *Central News* reports.

CHINA'S ACHIEVEMENTS DURING PAST TEN YEARS REVIEWED BY CHAIRMAN LIN SEN

The tenth anniversary of the establishment of the National Government in Nanking was fittingly observed April 18. Lin Sen, Chairman of the National Government, presided at a commemoration meeting and delivered a stirring address in which he briefly reviewed the achievements made by the National Government during the past ten years.

In his address, Mr. Lin summarised what the National Government has done during the past decade in the way of solving the people's food, clothing, shelter and transportation problems.

Simultaneous efforts have been devoted by the National Government to rehabilitate the rural conditions and improve agricultural production, declared Mr. Lin when reviewing the food problem of the country. Many organs, he added, have been specially created to handle the varied phases of agriculture.

Referring to the clothing problem, the Chairman said, it may be divided into two angles: agricultural and industrial. He declared that the agricultural improvement of the Government is closely interrelated with the problem of clothing. Industrially the Government has set up the Cotton Industry Control Commission to undertake the improvement of the cotton industry and has also taken steps to encourage the spinning and weaving industry to relieve the depressed filatures and promote the woolen industry.

As to the problem of shelter, the Government has promoted the use of native materials, especially native timber. Under the Government's patronization, domestic lumber is enjoying a wider market. Rapid strides, he said, have been witnessed in the native brick and tile industry. Native hardware and cement works are also turning out products for home consumption.

He spoke enthusiastically of the tremendous strides which has been achieved by the Government in the field of communications during the period under review. This he divided into four sections, namely, railways, highways, navigation and civil aviation.

In the realm of railroads, many lines have been completed and thrown open to traffic, with an aggragate length of 2,754 kilometers. New railways now under construction, when completed, will add another 1,790 kilometers to the total length.

China's highway progress is phenomenal, continued Mr. Lin. Whereas highway construction was carried out piecemeal before 1927, the work was correlated immediately after the establishment of the National Government in Nanking. Under the direction of the National Economic Council, an interprovincial highway network was extended from Kiangsu, Chekiang, and Anhwei to Kiangsi, Hunan, Hupeh and Honan. With the completion of the Nanking-Yunnan highway, China now has total of 109,749 kilometers of roads already completed, 1,616 kilometers under construction and 45,979 kilometers being suveyed. making a grand total of 171,893 kilometers.

Progress is also witnessed in China's navigation industry, Mr. Lin reported. Following the reorganization of the China Merchants' Steam Navigation Company, many improvements have been instituted.

No less encouraging is China's civil aviation progress. With the inauguration of the China National Aviation Corporation, and the Eurasia Aviation Corporation 14 air routes covering a distance of 17,800 kilometers were opened up by the end of 1936. The two companies maintain a fleet of 24 planes and the number of passengers was increased from 2,654 in 1930 to 10,404 in 1935.

The above photo shows the Chiang family temple at Chikow, Fenghua, where the funeral services for the late Chiang Hsi-hou, brother of Gen. Chiang Kai-shek, were held April 15.

Whereas the distance covered by the passengers in 1930 was only 1,027,902 kilometers, that in 1935 was 5,857,103 kilometers.

In addition to the above-mentioned, Mr. Lin stated, the Government has undertaken the exploitation of mines, reclamation of waste land, the expansion of afforestation work, the improvement of the postal and telegraphic facilities, and the installation of long-distance phone circuits through the country. In conclusion, he urged the whole nation to redouble their efforts to complete the unfinished task of building up a new nation.

GENERAL CHIANG ARRIVES AT SHANGHAI FOR FURTHER RECUPERATION

General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, arrived at Shanghai from Hangchow by airplane at noon April 20. The Generalissimo has entered the local Chung-shan Hospited to receive further treatment. Ending his 10-years stay in Soviet Russia, Chiang Chin-kuo, elder son of Generalissimo Chiang Kai-shek arrived at Shanghai April 19 on board the s.s. Sever, accompanied by his Russian wife and their eight-year old son.

NANKING TO SUMMON NATIONAL DEFENCE CONFERENCE, SAYS "MAINICHI"

Shanghai Mainichi reports a National Defense Conference will shortly be convened to be attended by Generals ChiangKai-shek, Yen Hsi-shan, Ho Ying-ching, Li Tsung-jen, Pai Chung-hsi, Sung Cheh-yuan, Han Fu-chu, Liu Hsiang, Ma Chan-shan, Sheng Shih-tsai, Governor of Sinkiang, and Ma Lin, Governor of Chinghai, Chu Teh, Mao Che-tung, Chow En-lai and other Red Army chiefs. The important matters for discussion are reported to be as follows: (1) The consolidation of national defense in various provinces along the Yangtze River; (2) The modernization and mechanization of the national forces; (3) The consolidation of the national defense line in the rear; that is, Szechuen, Kweichow, Yunnan, and Kwangsi; (4) The reorganization of the Red Army units and a new arrangement of the ex-Tungpei Army units; (5) The policy of utilizing the Canton-Hankow Railway line during the forthcoming period of war.

DR. KUNG INSPECTS SINGAPORE NAVAL BASE, FETED BY BOMBAY GOVERNOR

The rare honor of being invited to inspect the British Naval Base at Singapore was accorded April 9 to Dr. H. H. Kung, China's Special Ambassador and Chief Delegate to the British Coronation, when he arrived there on board the Italian liner *Victoria*. Greeted at the wharf by thousands of Chinese, Dr. Kung was extensively feted during his day's stop-over there. Interviewed Dr. Kung told pressmen that he is impressed by the apparent prosperity of Malaya. He paid a high tribute to the Malayan Chinese for their support of the National Government of China and expressed the hope that continued effort toward that direction in their own field will lead to closer relations among themselves, their fatherland and the British people.

The official welcome of the British Malaya Government to the distinguished Chinese statesman was extended at a luncheon given at the Government House. Colonial Secretary Smith, in the absence of the Governor, acted as host. The function was attended by high government officials and members of Dr. Kung's party. Shortly before this function, Dr. Kung was guest of honor at a reception given by the Chinese Chamber of Commerce at Singapore and some 100 other local organizations. Speaking to this large gathering of overseas Chinese, Dr. Kung praised them for their support to the Kuomintang Revolution in China and to the National Government. He urged the overseas sons and daughters of China to continue and to re-double their support. In extending his welcome to Dr. Kung, the Chairman of the Chinese Chamber of Commerce pointed out that he was speaking on behalf of 1,700,000 Chinese residents of Malaya. He paid high tribute to Generalissimo Chiang Kai-shek, Dr. Kung and other officials of the National Government for the many-phased progress achieved during the recent years. Dr. Kung apart from attending the round of receptions also visited the historical Wanchinyuan, where Dr. Sun Yat-sen designed the Blue Sky and White Sun National Flag of China.

A spokesman of the Chinese delegation to attend the British Coronation described at Colombo April 13 the Shanghai Japanese report of a proposed Sino-British military and economic co-operation program as fabricated purely by Japanese imagination. He denied that there is any truth to the Japanese report that the delegation has any plan to seek a British loan or any other co-operation program. The group of high Chinese officials, headed by Dr. H. H. Kung is sent solely for the purpose of attending the coronation ceremony in England, he pointed out.

A luncheon given by Governor Lord Brabourne at the Government House featured Bombay's official reception for Dr. H. H. Kung, who arrived at Bombay April 15 on his way to London to attend the British Coronation as China's Special Ambassador. After half a day's stop-over Dr. Kung and his party sailed again at 3.30 o'clock. Interviewed before his departure Dr. Kung expressed delight in meeting the British Empire authorities in the East, and expressed appreciation for the hospitality accorded him and his party at the various ports of acll. "Sino-

Gen. Chiang Kai-shek (right) and Dr. H. H. Kung (left):—This photo was taken April 2 when Gen. Chiang called on Dr. Kung at the Central Bank to bid him farewell prior to his departure for England to attend the British Coronation as China's Chief Delegate.

British interests meet throughout the entire East," Dr. Kung declared, "and wherever they meet, they meet most cordially and friendly." Chinese interests in India, according to Dr. Kung, are not so extensive as those in Malaya, but he expressed the hope that an increase will be witnessed in future for the benefit of both countries.

"NICHI NICHI" REPORTS ON "REMARRIAGE" OF KUOMINTANG AND COMMUNISTS

Shanghai Nichi-Nichi reported April 16 that Chow En-lai, leader of the Chinese Communist Party, is expected to confer shortly with Gen. Chiang Kai-shek regarding the "remarriage" of the Kuomintang and Communists. Negotiations were carried on for some time between Mr. Chow, representing the Communists and Chang Tsung, a member of the C.E.C., representing the Kuomintang, in Sian, but no final agreement has been reached. The concrete terms proposed by the Kuomintang for this alliance are reported to be:

(1) The present Soviet area in Kansu and Shensi provinces will be recognized by the Kuomintang as a "special administrative region."

(2) *A.* The Soviet Red Armies will be reorganized into three divisions (about 30,000 men), commanders of which will be appointed by the Communist party while vice-commanders and directors of the political training departments by the Central Government.

B. The Central Government will appropriate $100,000 monthly for the maintenance of these three divisions.

C. The reorganized Red armies will be gradually sent to Suiyuan.

D. Leaders of the present Red army will go abroad with their travelling expenses paid by the Central Government.

It is reported that these terms have not yet been fully accepted by the Communists, who want to reorganize the Red armies into four divisions and to receive a monthly subsidy of $500,000.

Gen. Feng Yu-hsiang, vice-chairman of the Military Affairs Commission, visited Shensi early this month to confer with Chow En-lai, Communist leader, on the realization of Kuomintang-Communist rapprochement, the *Shanghai Mainichi* reported April 20. The subjects discussed by the conferees included, according to the daily:

1. The renaming of the Communist forces into the "national Revolutionary Army."
2. The renaming of the Soviet areas in northern Shensi and Kansu into a "special administrative district."
3. Reduction of the area controlled by the Chinese Soviets to one-sixth of the present territory.

Shanghai Mainichi reports that after the Sian revolt and the conclusion of a truce agreement between the Kuomintang and the Communists, the blue shirts have turned their attention from the suppression of Communists to that of anti-Japanese. It is reported that the blue shirts are working against the Japanese in Manchuria and Formosa. It is further reported that a special department has been established in Amoy by Dai Lih, leader of the blue shirts. This department has enlisted 200 anti-Japanese Formosans to be sent to Formosa to carry out their secret activities there.

TUNGPEI ARMY STILL HAS 120,000 MEN AFTER REORGANIZATION

The Northeastern Army still has a force of 120,000 men after its recent reorganization, according to Gen. Mi Chung-lin, close associate of Chang Hsueh-liang. Gen. Mi further confirmed that the withdrawal of the Tungpei Army from Shensi will be completed before the end of this month.

The former Northeastern troops under the command of Gen. Yu Hsuch-chung are continuing to withdraw to their new positions in the east according to instructions of the Central Government and was scheduled to complete their evacuation of Kansu on April 20. The Central Government armies will resume their original garrison posts beginning on April 22.

Lih Pao reports that Chang Hsueh-liang has ordered the sale of his private residence in Peiping in order to offer relief to families of the Northeastern units, who have been disbanded.

The Executive Yuan appointed April 20 Liu Shang-ching, retired Government official of the Northeast, to the post of Chairman of the Anhwei Provincial Government. Mr. Liu succeeds Gen. Liu Chen-hua who had resigned because of prolonged sickness.

The situation in Kansu has become more complicated. The Provincial Government is now in control of only three or four *hsiens*. It appears that the 17 *hsiens* west of the River have nothing to do with the Provincial Government with the armies stationed in those areas in full control.

The Generalissimo's Provisional Headquarters in Sian has completed plans for the relief work in four provinces of Shensi, Kansu, Ninghsia and Chinghai, which are in the grip of a serious famine. Out of $1,500,000 relief fund for Shensi, jointly raised by the Central Government and Shensi, $800,000 will be allotted to north Shensi and the remainder to be used to purchase 300,000 sacks of wheat from Wusih, to be sold in south Shensi at reduced prices. The headquarters will also allot $100,000 as relief word for Chinghai. Famine relief work in Kansu and Ninghsia will be directed by Yu Yen-tien, special commissioner from the Executive Yuan, which has appropriated $400,000 for the purpose.

THREE SENTENCED TO DEATH FOR MURDER PLOT

Three of the twelve suspects held for attempted assassination of high government officials were given the death sentence by Judge Kuo Wei-chun at the Metropolitan Court April 19. They are: Yu Li-kwei, convicted for having instigated the attempted assassination of T. V. Soong, now member of the Standing Committee of the National Economic Council, at the North Station in Shanghai on July 23, 1935, and for organizing assassination corps; Chang Yu-hua, accomplice of Yu Li-kwei, convicted for having made two attempts on the life of Gen. Chiang Kai-shek, now President of the Executive Yuan, on Dec. 1, 1935, and again in the fall of 1935, and for attempted murder of Wang Ching-wei, the then President of the Executive Yuan, on Nov. 1, 1935. Ho Po-kwang, accomplice of Yu Li-kwei, convicted on the same charge as Chang Yu-hua. Chang Yu-hua has given notice to appeal.

Six other suspects were convicted for having either actively participated in the dastardly plots mentioned or for having come from Hongkong to carry out details, or having hidden weapons, were given prison terms ranging from five to twelve years.

PRINCE YUN, MONGOL LEADER, SERIOUSLY SICK

Prince Yun, a member of the State Council, is seriously ill at Ta-erh-han League in Inner Mongolia, according to a *Central News* message.

Prince Teh, head of a bogus military regime in Chapser, has returned to his headquarters from a trip to Manchukuo, according to reports by *Central News*. Wu Hao-ling, a close henchman of Prince Teh, and Li Shou-hsin, Manchukuo commander, were stated to have also returned to Chapser from a trip to Chengteh, capital of Jehol.

The Anchin Living Buddha arrived at Peiping from Nanking April 21. The Anchin Living Buddha recently returned to Nanking after an absence of more than two years in Tibet, where he made arrangements for the return of the Panchen Lama to Lhassa. After a brief stay in Peiping he will go to Chinghai to see the Panchen Lama.

GEN. LIU HSIANG ACCEPTS NANKING'S SIX MEASURES

Gen. Liu Hsiang, chairman of the Szechwan Provincial Government, has accepted the six point policy proposed by Gen. Ho Ying-ching, Minister of War, on behalf of the Central Government. It is reported that the six points consist of plans for the nationalization of the Szechwan troops and the training the local of people with military knowledge.

Slogans attacking the Provincial Government were discovered in Eastern Szechwan. The Provincial Government was blamed for the present famine in the Province and the heavy taxation on the people, reported *Ta Kung Pao*, April 17.

Iwai, Acting Japanese Consul-General in Chengtu, who has been commissioned to negotiate for the reopening of the Japanese General Consulate in Chengtu, arrived at Shanghai April 18 en route to Japan. Concerning the latest conditions in Szechuen, he stated as follows:—

"Liu Hsiang, Governor of Szechuen, has accepted the proposals of the Central Government; thus, the deadlock between Szechuen and Nanking has been amicably settled. With reference to the general feeling towards Japan among the local populace in Chungking, he continued:—

"During the outbreak of the Chengtu incident, the anti-Japnaese sentiment among the local masses was at its highest pitch, but, now it has gradually cooled off."

GEN. WU TE-CHEN ANNOUNCES ADMINISTRATIVE POLICY FOR KWANGTUNG

General Wu Te-chen, new Chairman of Kwangtung, and concurrently Commander of the Provincial Peace Preservation Forces, issued a circular telegram April 16 announcing his assumption of office. General Wu also announced that his administrative policy will be (1) the abolition of exorbitant levies and miscellaneous taxes, (2) relief of the rice shortage which is causing distress among the people, and (3) promotion of civil administration to meet the people's expectations. General Wu in the course of an address April 15 stressed the vital relationship between the Central authorities and the local governments. Kwangtung, he said, is merely a part of the Republic, and must give its full support to the Central Government. He outlined his plans as follows:

The province must be converted into a new Kwangtung based on the *San Min Chu-I.* (Three People's Principles) of Dr. Sun Yat-sen. Productive reconstruction must be promoted in order to alleviate the plight of the people. Efforts must also be made in cultural reconstruction with a view to elevating the cultural standard of the masses. Officialdom must be purged of corruption, with a view to establishing a clean government. Opium must be strictly suppressed.

Impressive scenes were witnessed at Canton April 19 at the funeral of General Huang Mu-sung, Governor of Kwangtung, who died a month ago after a long illness. All leading Chinese officials attended. Foreign consuls were also present.

The disbandment of 22 regiments of the Kwangtung Army has been completed, according to *Sin Wan Pao*. With the disbandment of these soldiers, the expenditures of the Provincial Government will be cut by $500,000 monthly.

The revolt of the Miao tribes against the Chinese troops stationed in western Hunan is spreading from its point of origin in Yungsi, and Miaos living in Fonghuang, Kanchen, Mayang, Paoching, Luchih, Kuchan and other districts have become disaffected, reported *Shanghai Nippo* April 13.

Something About Municipal Finances—By a Former Employee of the Council

BY P. Y. CHIEN

IN respect to the efforts made by the Shanghai Municipal Council to seek sanction from the ratepayers for more revenue, we do not make the charge that the Council is insincere or has the intention in any way to swindle the public. On the contrary, every fair-minded citizen of this metropolis should appreciate the efforts of the Council in effecting stringent retrenchments and all-round cuts in salaries of the Council staff members, which, however, fall harder upon the low-grades employees, especially the Chinese members. But we do think that there is room for further economy, which ought to be more effectual and more equally-distributed among all grades of the Council employees. For instance, an 8 per cent cut in salaries of Chinese clerks and police constables may heavily affect their livelihood, while the same reduction in the salaries of highly-paid foreign members is virtually only a difference in the ink-marks in their bank accounts.

We have also overheard, although we are reluctant to doubt the sincere intentions of the City Fathers, that all the retrenchments already effected, have been meant chiefly to produce a mental effect upon the public as to the great calamities which would in time befall this cosmopolitan trade center if the public continued to hold tight its purse strings. For instance, as rumors are passed around, the reduction in the staff of the Fire Brigade was introduced for the purpose of throwing a fire scare among the property owners; the abolition of the Council's Ricsha Board had the purpose of telling the public that the Council could no longer afford any more humanitarian endeavors; and even the row created among foreign and Chinese newspapers after the abolition of the Press Information Office had the salutary effect of driving to the heart of the public the belief that the Council was in real earnest about economy.

We can hardly give any credit to such allegations, but the Council must try to win the confidence of the public before it can successfully ask for more money from it. While the public feels that the Council has not gone thoroughly enough into the matter, the Council must realize that half-hearted efforts do not accomplish much, if anything at all.

Some are ready to attribute the half-year postponement of the increase in the General Rates and land tax to the growing influence of the Chinese in Municipal administration, but the writer, claiming to know better on account of past connections with the Council, would rather attribute it to the sting of conscience after what was described by Ranald G. McDonald at the last Ratepayers' Annual Meeting as "squandermania" during the several years following the sale of the Council's Electricity Department. When H. E. Arnhold, Chairman of Council, accepted the amendment to the final resolution for the tax increase, he must have realized that if the eighty-one million dollars which accrued from the sale of the Electricity Department had not been available, an approximately equal sum would have had to be raised locally through taxation, and of this sum the Chinese community must have contributed an overwhelming share.

To cure itself of this "squandermania," although the writer thinks the Council has only acquired a habit of free spending after a sudden realization of great wealth, the Council must do certain things. Only in case deficits should occur after these have been done, should the Council venture again next year to enforce the increase in Municipal taxation. Otherwise, we doubt very much if the Chinese community would acquiesce in the terms proposed by the Council next year.

The first thing we propose is the abolition of the Municipal Orchestra and Band.

With regard to the Shanghai Volunteer Corps, which was first created in the early fifties during the Taiping Rebellion, we must say that changed times and changed conditions have rendered this organization practically useless except, of course, for the Annual Road March and Inspection and the Guards of Honor occasionally furnished by the White Russian Units when foreign notables make calls on the Chairman of the Council—in regard to which Mr. Arnhold took so much delight that he always asked the newspapers to print the pictures. So when Mr. Arnhold assured the ratepayers at the last Annual Meeting that the Council had no intention whatever of disbanding the Corps, we could appreciate how he personally felt towards the Corps and, in fact, no chairman of Council would be willing to sacrifice this Corps, especially the Russian Regiment, after a preliminary taste of the glory, pomp and vanities incidental thereto.

Our attention is also drawn from time to time to the superstructure of the post of the Secretary-General of the Council. Since there is a Secretary to Council, we are of the opinion that the occasional conversations carried on between the S.M.C. and the City Government might as well be taken care of by the Secretary. To be fair to the Secretary-General, we also suggest the abolition of the post of the Chinese Advisor on Municipal Affairs. The writer has no intention to question the competency of the eminent jurist, Dr. John C. Wu, whose services the Council should utilize to the fullest extent. But to create a sinecure and make a talented thinker, writer and administrator a mere figure-head is worse than abolishing the post altogether.

The Council has already made certain efforts to reduce the payments on the so-called Repatriation and Long Leave Exchange Compensations, but the total amount thus saved is only about thirty or forty tousand dollars, as compared with about $1,750,000 still being paid out each year.

We do not say that all Council employees are over-paid for their services, but at least a great many of the highly paid employees can afford further reductions. For instance, the Secretary-General receives about $42,000 a year aside from other allowances, which is higher than the pay of many a Governor of a State in the U.S. Both the Commissioner of Police and the Treasurer and Controller are better paid than the Vice President of the United States, or the Secretary of State or the Speaker of the House of Representatives in America, or many of the cabinet ministers in England.

As to the Chinese employees, not to mention that a young man of twenty-one who joins the Council Service as a 3rd clerk C. will have to serve more than fifty years before he can climb to the top of the clerk grade list, it is a fact that graduates from foreign universities with excellent qualifications are usually worse off than a public school graduate of British nationality. Although the Report of the Council's Staff Economy Committee recommended the employment of more qualified Chinese in its various departments, such had long been the avowed intention of the Council, but the plan has never been carried out.

Settlement of Anglo-Japanese Incident at Keelung Announced in House of Commons

Settlement of the Anglo-Japanese incident at Keelung, Formosa, on Oct. 7 last year, when Japanese police are alleged to have mistreated three British sailors and to have insulted a British officer, was announced in the House of Commons by Foreign Secretary Eden April 13.

In an informal statement the Tokyo Foreign Office April 14 said that the settlement of the incident was reached as a result of Japan's conciliatory attitude, motivated by a desire to maintain the traditional friendly relations between Japan country and Great Britain.

The incident occurred on the night of Oct. 7 last, when three British seamen, were accused by one Ichiro Tei, a taxi-driver, of refusing to pay him for a ride from Taihoku to Keelung. Having missed their last train from Taihoku, the sailors assertedly hired Tei to take them to Keelung for Yen 6. During the trip, Tei said, the sailors consumed a bottle of beer. Arriving in Keelung, the three men, according to Tei, left the automobile and entered the Cafe Daruma, without paying the agreed fare. Tei followed the British sailors into the establishment and asked for money. When his demand was refused, Tei went to the nearest police box and filed a complaint. When the police began to question the sailors, a petty officer, who gave his name as S. Allgood, intervened and said he had seen Turner pay the fare to the taxi driver. Allgood, the police report said, declared that he had changed one Yen 10 note for Turner, giving the latter two Yen 5 notes, one of which the sailor had assertedly handed over to Tei. The policemen immediately searched Tei, finding in his pockets one Yen 10 and one Yen 1 notes, in addition to small change. The three British sailors were then escorted to the Keelung Police Station where they were questioned by Sun-Inspector Yoshida.

From then on, in interviews between the Japanese police authorities and Lieutenant Beresford of the British war vessel *Bruce* the matter discussed was the veracity of the British sailors. One of the sailors was said to have admitted that he had "forgotten" to pay.

The British authorities had announced that an inquiry instituted by Vice-Admiral Sir Charles Little, Commander-in-Chief of the China station, had proved "without a doubt" that the sailors had paid their fare and were seen to do so by a petty officer not in their party. The inquiry, it was asserted, also established that the sailors were sober when taken to the police station, and that, when they emerged, they were badly beaten and battered, one of them having a broken jaw.

Further Echoes of the Keelung Incident

Echoes of the Keelung incident were heard in Tokyo April 14 when the British Ambassador, Sir Robert Olive, lodged a protest with the Japanese Government against the publication of a statement purporting to emanate from the Japanese Foreign Office. In reply to the protest Foreign Minister Sato denied that the Foreign Office had issued the statement to which the Ambassador objected, declaring that it was circulated by a Japanese news agency, which had described its authorship incorrectly. The agency, he added, had been requested to withdraw the statement.

Roscoe Pound—An Appreciation and a Tribute

BY ANNA GINSBOURG

Dr. Roscoe Pound, Dean Emeritus of the Harvard Law School arrived in Shanghai in the latter part of February. He spent about a fortnight in China delivering lectures on law subjects before various educational institutions and societies. He later continued on a trip round the world.

ROSCOE Pound, the father of sociological jurisprudence, was born at Lincoln, Nebraska, in the year 1870. After spending some twenty years as professor of law in several Western Universities and in Harvard, he became Dean of the Harvard Law School in 1916 and held this post until his recent retirement. Dr. Pound's writings are both numerous and varied but most of their headings are by themselves sufficient to convey the idea of the writer's general attitude towards the problems of jurisprudence. "The need for a school of sociological jurisprudence," "Social problems and the court," "A theory of social interests" and other essays, as well as his principal works in book form; "Spirit of the common law" and "Interpretations of legal history" disclose the essence of his teaching in jurisprudence and the trend of his philosophy of Law.

The banner under which Pound invites his followers to enlist bears the inscription "Sociological Jurisprudence." "Let us think of jurisprudence as a science of social engineering, having to do with that part of the whole field which may be achieved by the ordering of human relations through the action of politically organized society,"—says Pound in his "Interpretations of legal history," elucidating further what he means under the term of "social engineering": "Let us put the new point of view in terms of *engineering*; let us speak of a change from a political or ethical idealistic interpretation to an engineering interpretation. Let us say that the change consists in thinking not of an abstract harmonizing of human wills but of a concrete securing or realizing of human interests. Engineering is thought of as a process, as an activity, not merely as a body of knowledge or as a fixed order of construction." The engineer is judged by what he does. His work is judged by its adequacy to the purposes for which it is done, not by its conformity to some ideal form of a traditional plan. We are beginning, in contrast with the last century, to think of jurist and judge and lawmaker in the same way."

"It is the apotheosis of individual free initiative in the last century," says Pound, "that caused us to lose sight of the social interest in the human life of the concrete man in our zeal for the abstract freedom of the abstract man. A change of attitude in legal thinking throughout the world, which marks twentieth-century jurisprudence, rests on recognition of the social interest in the individual life as something broader and more inclusive than individual self-assertion." According to Pound's idea, our whole approach to legal conceptions has undergone a change: "We think of legal institutions not merely as things that are, but as things that are made; not merely as things that have come to us, but as things that were made at some time and are made now by those who believe in them and *will* them—and are largely what the latter believe them and will them to be. We are beginning to study the legal order instead of debating as to the nature of law. We are thinking of interests, claims, demands, not of rights, of what we have to secure or satisfy, not exclusively of the institutions by which we have sought to secure or to satisfy them, as if those institutions were ultimate things existing for themselves."

Such a change of attitude, asserts Pound, is manifest among all types of jurists in the present century. The six points which stand foremost in the juristic literature of the day are the following: (1) Study of the actual social effects of legal institutions and legal doctrines, (2) study of the means of making legal rules effective, (3) sociological study in preparation for law-making, (4) study of juridical method, (5) a sociological legal history and (6) the importance of reasonable and just solutions of individual cases.

Jurist's Role in the Legal Process

Dr. Pound's enlightened conception of the jurist's role in the legal process is his most valuable contribution to juridical science. To him the jurist is—or at least outgh to be—*a creative and moulding force in legal progress*. He is summoning the jurists to take their proper place of leadership in the work of adapting old law and creating new law to meet the ever-changing needs of social justice. He teaches them that law is made and remade by men and if they agree with him as to the nature of the jurist's function, they will take their own part in the legal life of society; they will apply their learning and their juristic statesmanship, consciously and continuously, to the reform of the law by influencing legislature and judicature and the other processes of law-making.

It is but natural that Roscoe Pound, a born American, should refer his jurisprudential teaching first and foremost to his mother-country; its universality in no way suffers from this fact. On the contrary, the cause of legal progress as a whole might even gain from it, as it stimulates the comparing of the state of affairs in America of to-day with that in other countries. For that reason the experiments made, as well as the experience acquired, in the legal life of America, are the objects of the liveliest interest and instructional value for jurists throughout the world.

British Government Will Spend £190,000 to Build Embassy in Nanking

The vote for public buildings overseas was approved by the British House of Commons April 13 after a discussion in which the question of the cost of the new British Embassy at Nanking figured prominently. R. S. Hudson, Parliamentary Secretary to the Ministry of Health, replied, in answer to questions, that the money required was being asked for to complete purchase of the site, the total cost of which, including roads, was about £150,000. Mr. Hudson thought it was the general opinion of the House and of the commercial community in China that it was essential for the British Ambassador to have a residence in the capital. In regard to whether it was necessary to expend so large a sum as £190,000 on the Embassy, he pointed out that it comprised a comparatively large establishment. The cost, Mr. Hudson also pointed out, would be spread over a period of five years.

The new British Embassy in Nanking will be located inside Hopingmen Gate, where a permanent lease on a large tract of land has been arranged through the good offices of the Ministry of Foreign Affairs and the Nanking Municipal Government. This new site is much larger than the present Embassy premises at Sarchiawan near Hsiakwan.

New Embassy Building to Be Built in Nanking by Germany

In addition to the decision of the British authorities to build an embassy in Nanking, it is learned that the German authorities have also decided to build an embassy in the capital. It is reported that a large tract of land near the Central Kuomintang Headquarters along the Hupeh Road will be purchased for the building of the embassy.

New Indo-Japan Trade Protocol Fixes Quotas for Exchange of Cotton and Textiles

Among the provisions of the new Indo-Japanese trade protocol, signed in New Delhi, April 12, is that Japan will be permitted to export to India 283,000,000 yds. of cotton piece-goods annually, in exchange for the purchase of 1,000,000 bales of Indian raw cotton. The exports of cotton textiles may, however, be increased to 358,000,000 yds. if the purchases of Indian raw cotton are increased to 1,500,000 bales a year. The excess of exports of cotton textiles in one year, which may be adjusted against the next year's quota is raised from 20,000,000 to 25,000,000 yds.

Inhabitants Along Northwest Frontier of India Ask to Be Allowed to Bear Arms

The Northwest Frontier city defense committee at Bannu, composed of Hindus and Sikhs, are urging that, because of the disturbed situation, arms should be distributed to the Hindo and Sikh population for self-defense purposes. Meanwhile, hostile tribesmen in that area are becoming more desperate. One band recently crept within a few miles of the city under cover of darkness. The alarm was sounded and troops stood by. Reserve police are now stationed in the city to prevent panic. The Fakir of Ipi has rejected the conciliatory advice of a conference of 50 influential leaders drawn from four different local tribes. The Fakir also remained adamant in the face of appeals made in the name of Islam and the Koran by his own relatives, who were accompanied by a number of old women from the Khaisora Valley, the scene of sharp fighting recently.

China Institute Formally Opened in India

The China Institute of the International University in India was formally inaugurated Apr. 14 under the auspices of the Sino-Indian Cultural Association, according to a cable received at the Ministry of Education in Nanking.

Industrial Accidents in Shanghai Show Increase During March

There were reported to the Shanghai Municipal Council in March 283 industrial and occupational accidents, the highest number since records began to be kept at the beginning of 1934. It was stated that this increase has been in part due to a request to all hospitals for more consistent reporting, and is indicative of the fact which has always been stressed that the numbers of accidents reported did not represent the number occurrring, which was probably considerably higher. In part also the increased number may by due to generally greater activity in many plants.

Social Masses Party in Japan Displays Great Strength

The struggle between the Left and Right wing members in Japan has grown more vigorous as the general election campaign gets underway. A clash between members of the Social Masses Party and the extreme Rightists occured April 14 in Tokyo and would have developed into a thrilling battle had the police not arrived on the scene to restore order.

The Social Masses Party, which advocates destruction of capitalism and the emancipation of the proletariat, met under the chairmanship of Isho Abe, the President, and amidst acclamation they adopted the slogan "smash Fascism to pieces." Shortly after the meeting was opened, a group of extreme Rightists invaded the hall and shouted "bury the national traitors, the Social Masses party." An affray ensued between the two sides threatened to develop into a riot, but was put under control by police who rushed to the scene.

Leftist Party Puts Forth Record Number of Candidates

The proletarian Social Masses Party has launched a vigorous campaign to win a record number of seats in the next Diet. It has 66 candidates in the field. Pointing out that in last year's elections the party increased its strength in the Lower Chamber from 3 to 18 members, the organization's strategists now predict that at least 50 proletarians would be victorious in the forthcoming ballot battle.

Convinced of popular support in the elections of April 30, Japan's proletarian parties have nominated about 70 candidates for seats in the Lower House. Two-thirds of this number represent the Social Masses Party, which hopes to double its present Diet strength of 18 seats.

Premier Hayashi appealed to the nation Japanese April 15 in a supplemental edition of the *Official Gazette*, expounding the significance of the dissolution of the Diet. He urged the voters to elect only those who "had a correct understanding of the current situation and who were capable of reconstructing the Diet so efficiently that it would prove itself equal to any occasion."

A warning to the Cabinet that its reported intention to dissolve the next Diet would impinge upon the supreme power and undermine constitutional government was sounded April 16 by Chuji Machida, the 74-year old President of the powerful Minseito Party, at a rally at the Hibiya Auditorium. "Realizing the threat to parliamentary politics, I am devoting all my energy to the current campaign, despite my age and infirmity. The interests of individuals, such as myself or the members of my family, are no longer of any importance, in the face of issues confronting the nation," declared the aged politician.

Japanese Magnate Gives Yen 150,000 to Help Needy Candidates

Setting a precedent, Hatsusaburo Hirao, a shipping magnate and former Minister of Education, has offered to defray the election expenses of candidates "who share my views on the desirability of pure politics." The needy but ambitious aspirants for seats in the Lower House will have to pass a strict examination at the hands of Mr. Hirao, to test their acceptability. At least 30 candidates have succeeded in passing the examination with flying colors. As the cost of election averages about Yen 5,000, the experiment will cost Mr. Hirao about Yen 150,000.

Seiyukai Attacks Government in Three-Point Manifesto

Bluntly charging the Government with "unconstitutional and unchivalrous" practices, the Seiyukai, second largest political party in the country, April 14 urged the Hayashi Cabinet to resign. The three-point manifesto decried the recent dissolution of the Diet, accused the Government of lacking a correct appreciation of the international situation and condemned bureaucratic "self-complacency."

"Izvestia" Comments on the Election Campaign in Japan

In connection with the unfolding of the election campaign in Japan, Moscow *Izvestia* commented: "A peculiar situation has been created, in which the Government obviously cannot 'win' at the elections, for the simple reason that the overwhelming majority of the candidates put forward is against it. Promising also to dissolve the next Chamber if it will be disobedient, the Government strives to show the main bourgeois political parties that under all circumstances it intends to remain master of the situation."

Building Operations Suspended in Tokyo Owing to Iron Famine

Moving to relieve the iron famine now facing Japan, the Tokyo Cabinet April 19 ordered the supension of building activities on Government steel and concrete structures. Included among the buildings whose construction will be postponed indefinitely were the Yen 9,000,000 Communications Ministry, which would have been ready in four years; the Cabinet headquarters, which were to be completed in two years at a cost of Yen 3,000,000; six postoffice buildings, costing Yen 2,000,000; the Government Printing Office, estimated at Yen 1,500,000 and a Government tobacco factory which would also have cost Yen 1,500,000.

Hirao to Become Head of Huge Semi-Official Iron Concern

Hatsusaburo Hirao, who within the past 18 months has served as President of the Kawasaki Dockyards, head of the economic mission to Brazil, and Minister of Education, will shortly become the Chairman of the Board of Directors of the semi-official Japan Iron Manufacturing Company.

Japan Claims to Be Greatest Rayon Manufacturer in the World

Japan has replaced the United States as the biggest manufacturer of artificial silk, according to a statement made by the Japan Federation of Rayon Manufacturers in Tokyo April 17. Comparative figures, prepared by the Federation, showed that Japan last year produced 285,000,000 lbs. of rayon, while the total United States output was 278,000,000 lbs.

Japanese rayon exports totalled 33,000,000 lbs; America's, 1,000,000 lbs.

Japanese Foreign Trade With China Shows Great Increase

According to statistics recently compiled, Japanese exports to China in February were estimated at 22,000,000 yen, with 2,000,000 yen of excess of exports over imports. The amount was one and half times more as compared with the figures of the corresponding period last year.

Japanese Government Urges Merger of Electric Power Firms

In a move to reduce rates on electric power and to facilitate State control over the industry, the Tokyo Ministry of Communications April 18 proposed to reduce the number of power concerns to one in each of Japan's 46 prefectures. There are today 380 power companies in the country, some of them very small. The Ministry's move is in line with the announcement made at the last session of the Diet by Count Hideo Kodama, Minister of Communications, of his intention to encourage the merger of small firms. The step is regarded as a transitional measure, prior to the enactment of a bill on the State control of the electric power industry by the next ordinary session of the Diet, next winter.

Two British Employees of Yokohama Specie Bank Decorated by Japanese Emperor

Two Britons who have been in the employ of the Yokohama Specie Bank in Tokyo for more than 40 years were decorated by the Emperor, April 17. F. L. Sutton received the Order of the Rising Sun, Fifth Class with Double Rays, and T. R. Parry, the Order of the Rising Sun, Sixth Class, with Single Ray. They will sail for London by way of the United States on the m.v. *Tatsuta Maru* on April 28.

New Zealand Businessman Entertainad in Tokyo

Leading Tokyo businessmen and diplomats April 14 attended a reception honoring Eliot Rypinski Davis, honorary Japanese Consul in Oakland and a leading beer brewer in New Zealand.

France and Switzerland Agree to End Perpetual Leases

Following the example set by Britain and the United States last month, France and Switzerland April 14 formally agreed to the cancellation of permanent leases held by their nationals in Japan.

Pseudo-Religion Headquarters Closed in Japan

Dealing a final blow to the Hito-no-Michi pseudo-religious cult, claiming to have 1,000,000 believers, the Ministry of Education April 15 ordered the Osaka Prefectural Governor to close the headquarters of the sect at Fuse, near Osaka.

Nanking Daily Believes Tokyo at Crossroads in Her Policy Towards China

Japan is now at the crossroads so far as her China policy is concerned, the *Hsin Min Pao*, an independent daily in Nanking, April 16, declared in an editorial. This may be seen in two developments: difference of opinions between the Gaimusho and the War Office in regard to the question of Sino-Japanese economic rapprochement and the outward tense atmosphere in Japanese military preparations in North China. Regarding the first point, the journal based its assertion upon the following facts: marked change in Sato's stand towards Sino-Japanese relations; the Japanese Government's denial that a Japanese economic leader will replace Mr. Kawagoe; and the army's disapproval of the Hayashi Cabinet's intention to place major emphasis on Sino-Japanese economic cooperation.

Regarding the second point, the *Hsin Min Pao* said that the reported renewed invasion of East Suiyuan by the "irregulars" in north Chahar and the projected expansion of the Japanese Garrison in North China so as to put it on the same footing with the Kwantung Army point to the Army's determination to proceed with its radical "Continental Policy."

The daily attached great importance to the outcome of the present election and Japan's future political developments. It believed that the Tokyo's future policy towards China would be shaped by one of the following two results: absolute cleavage between the government and political parties, or a certain degree of compromise.

Enormous Rise in Japanese Foreign and Domestic Loans

A *Reuter* dispatch from Tokyo April 17 stated that the Japanese Government loans account outstanding on Mar. 31, at the end of the financial year 1936-37, showed that the combined total of foreign and domestic loans amounted to an equivalent of more than £622,000,000, which, compared with the position on the corresponding date last year, represented an increase by £42,350,000. The total, it is expected, will increase by about £50,000,000 during the present financial year.

For some months past Japanese banks have refrained from buying bonds from the Bank of Japan because of the tightening tendency of the short-term money market and also because a large amount of industrial capital has been in active demand.

It is expected, however, that the banks may begin buying bonds when the government spending at the end of the financial year circulates and comes back to the banks in the shape of deposits, although not much buying is expected because of the enormous demand for funds by manufacturing industries.

War-Time Finance Policies Favored by Governor of Bank of Japan

Japan's financial and monetary policies should be formulated and operated on a semi-wartime system, declared Seihin Ikeda, Governor of the Bank of Japan, in an interview in Tokyo April 17. This, he explained, would necessitate perfection of national defense facilities and preparations for national mobilisation, as advocated recently in the Government's announcement of proposed future policies.

137 Ships Under Construction in Japan

With the world shipping enjoying an unprecedented boom, Japan's dockyards are now building or have contracted to build 147 vessels, with a total displacement of 996,850 tons, the Japan Shipowners' Club revealed in Kobe April 20.

Japanese Trade Shows Large Adverse Balance

Japan's foreign trade for the second ten day period of April resulted in an adverse balance of Yen 39,250,000, with imports totalling Yen 130,951,000 and exports reaching Yen 91,701,000. The total unfavorable balance since the beginning of the year has now reached Yen 388,959,000, the Tokyo Finance Ministry announced April 20.

18,000 "Submarines" (Nine Inches Long) Shipped to the United States from Japan

Eighteen thousand "submarines" were shipped to the United States from Osaka this week, to fill an order. All were made of wood and were about 9 inches long.

Noted Japanese Financier to Visit China

Another attempt to strengthen economic ties between Japan and China will be made this month by Yunosuke Yasukawa, President of the Oriental Development Company and a former coal miner who rose to be Kyushu's leading businessman. Mr. Yasukawa departed from Tokyo on April 12 for a six-week tour of China, by way of Korea and Manchukuo. Before leaving Japan, he proceeded to Osaka to exchange views with leading businessmen and with the shareholders of the Yen 15,000,000 concern.

More Than a Hundred Recruits for Japanese "Spy College" in Shanghai

Selected after rigid entrance examinations, 114 Japanese youths arrived in Shanghai this week to enter Tung Wen College (otherwise known as the Japanese Spy College) in Hungjao Road, as freshmen. The ceremony inaugurating the school year was held in the Assembly Hall of the Japanese institution April 21, with an address by President Chozo Ouchi. The Chinese language is one of the major subjects on the school's curriculum, while the senior class, before graduation, makes an extended trip into the interior of China.

Formosan Authorities Ban Chinese Newspaper "Supplements"

The Formosan authorities have issued an order prohibiting the publication of Chinese "supplements" by the newspapers on the island beginning from June 1. Another order has been issued banning the use of Formosan dialect, which is similar to the Amoy dialect. Simaltaneously efforts will be made to popularize the Japanese language in Formosa.

H. J. Morris Names Derby Horse "Kamikaze"

The *Tokyo Asahi* April 13 stated that H. J. Morris, who was described as the owner of *North China Daily News* of Shanghai, has named one of his horses "Kamikaze" (the name of the Japanese monoplane that recently made the record trip from Tokyo to England). He will enter this horse in the Derby.

C. H. French Is Honored by American Chamber on Occasion of Retirement

C. H. French, former Vice-President of Andersen, Meyer & Co., large American machinery house in Shanghai, and many times president of the American Chamber of Commerce, was honored at a tiffin at the American Club April 20 on the occasion of his retiring from active participation in Shanghai business circles.

The affair, which was held under the auspices of the American Chamber of Commerce of Shanghai, was attended by Ambassador Nelson T. Johnson, who, in addressing those present, congratulated Mr. French on his splendid record in Shanghai, reviewed the progress which has been made by the Chamber of Commerce in the last few years and especially under the leadership of Mr. French, who was president six times from 1927 to 1935.

On behalf of the organization, C. S. Franklin, the President, handed Mr. French an elaborately engraved silver cigar box expressing the "affection and esteem of his many friends and associates to Clifford Hiram French."

Mr. French departed on the s. s. *Potsdam* for Europe April 22, enroute to the United States.

Court of Consuls Awards $9,400 to German Woman for Damages to Face

The Shanghai Court of Consul in a judgment delivered April 17 awarded Mrs. Wilhelmina E. Schneider $9,400 damages in her suit for $220,000 against the Shanghai Municipal Council. Although this is the highest award ever given against the Council, it will stand out in legal history because of the fact that the plaintiff had previously been offered $25,000 in settlement and refused it. The case was heard before Messrs. C. E. Gauss, T. Kawai and J. W. O. Davidson, respectively American, Japanese and British Consuls General. The damages were awarded for injuries to the face of the plaintiff, who is a German woman, caused by the falling of a piece of fire apparatus during a fire drill on August 20 last. The defense was based on the allegation that the swaying a of a fire ladder which was the cause of the apparatus dropping from the roof of the building where the drill was being held (Race Course Apartments) resulted from a gust of wind and that this was what is known in legal parlance as "an act of God."

U.S. Commerce Department Report Notes Improved Conditions in China

The annual analysis of China's economic situation, issued by the U.S. Department of Commerce in Washington, April 7, among other things said: "China ended the year 1936 under the most favorable conditions evidenced since the beginning of the Republic. As a result of certain political coups the country was more unified administratively than ever before. Unusually heavy crops from north to south, the continued good effects of the Central Government's currency policy, and high prices both in domestic and foreign markets for China's products served to establish an exceptional measure of economic prosperity. A striking feature of the year was the turning of Chinese capital from Shanghai into the interior for investment, under the impetus of new faith in the enduring qualities of the country's progress."

Shanghai Power Co. Takes Steps to Eliminate Silver Clause from Bonds

In line with policies taken by many local firms since the nationalization of silver by the Nanking government in November of last year, the Shanghai Power Company issued letters this week to debenture holders of the company to the effect that the firm intends to re-issue its bonds with elimination of the silver payment clause. The company has already obtained the approval of over 50 per cent of the total debentures of the holders. The Power Co. is paying a bonus of $3 per $100 as an inducement to holders to agree to the formal change in the debentures.

Cost of Spanish War So Far Estimated at U. S. $1,740,000,000

It is estimated that the cost of the Spanish civil war thus far is U.S.$1,740,000,000, which would consume the nation's revenues for 80 years in the event that agriculture and industry were re-established at their former level of operation—which is impossible.

Ten Thousand Peasants Stage Riot in Yishin

A threatening riot was staged by more than 10,000 peasants in Yishin April 11. The riot was staged as a protest against the unfair judgment of the Police Chief in the affected districts, who, it is alleged, has assisted the chief accountant to run away without paying the day's wages to the peasants.

"Mongokuo"—Japan's Newest Puppet State

An *Associated Press* dispatch from Kalgan in the *Chicago Tribune* of March 18 stated that the rumblings of revolt had come from the dust blown wastes of northern Chahar, whence reports of missionaries and traders carried the story of the new Mongol state seeking to sever itself from China under the guidance of Japanese.

A Japanese flag flew above the customs office twenty-five miles north of Kalgan on that date and separate customs service charges were being made, presumably in behalf of the new state —Mongokuo.

But there was much dissension because of the attempt at autonomy in the north Chahar sector, which Chinese in Kalgan said: "We now consider a part of Manchukuo"—under Japanese sponsorship since 1931. Some Mongol leaders were believed desirous of ousting all Japanese and remaining loyal to the China government of Chiang Kai-shek at Nanking.

The black area on the map represents "Mongokuo" or Japan's newest puppet state to be carved from Chinese territory. The area embraces six hsiens or counties of northern Chahar.

Missionaries and traders, some of them Americans, said the new government has "many Japanese advisers" and has been in existence "some weeks." No formal proclamation of its formation was made. Chapsur was established as the new capital.

Manchukuan troops, under command of Gen. Li Shou-hsin, were said to have established themselves in Mongokuo garrisons. Prince Teh Wang nominally heads the state, as leading Chahar Mongol prince, but apparently, he had been ignoring political affairs. Instead a group of his associates, conduct the business of state with the advice of numerous Japanese.

Earlier dispatches announced the establishment of the new Japanese dominated state, Mongokuo, modeled after adjoining Manchukuo. Rebellious Prince Teh Wang set up the new nation, with the aid of Japanese military advisers. The new puppet state, including the six northern counties of Chahar, is a wedge between Manchukuo and Suiyan province extending to within 20 miles of Kalgan.

War dangers previously had been believed lessened by withdrawals of Japanese advisers and militarists, tanks, trucks, and planes. However, it was believed the withdrawals were not extensive.

Prince Teh for a long time had opposed the Nanking government, but his submission to Japanese influence, alleged by Chinese to include extensive war supplies and funds, was said to have cost him the support of his peoples.

The northern Chahar advices declared Prince Teh had formed a government, drawn up tariff schedules, and started an administrative system with the aid of 100 assistants.

Western borders of the new state, roughly the size of Ohio, coincide with the bristling Suiyan frontier where defenses have been strengthened in the four months since Chinese troops administered defeat to Prince Teh and his irregular Mongol and Manchukuan forces, allegedly trained by Japanese officers.

Suiyanese militantly proclaimed they would brook no threat to Suiyan's integrity, which, they said, was menaced by Japanese ambitions to create a buffer state between Manchukuo and soviet influence in Outer Mongolia. Some 100,000 first line troops, including 40,000 crack Nanking soldiers, manned the eastern Suiyan defenses.

Japanese Invasion of Suiyuan in Full Swing—Irregulars Advance

A dispatch in the *Shun Pao* from Kalgan, April 16, stated that the new invasion of Suiyuan is now in full swing, as the irregulars are pushing forward towards Eastern Suiyuan. The Manchukuo regulars under Pao Yueh-ching had reached Changpei from Paoyuan on that date, while the 9th and 10th Divisions under Prince Teh had reached Shayi and Shantu.

At the military conference in Chiapushih the commanders of the irregulars and their Japanese advisers decided to attack Hsinho in East Suiyuan by way of Tachinkow and Nanhouchen. It was further decided that the irregulars would not give up the six districts in *North Chahar*. The *China Times* said great precautionary measures are taken to stop the irregulars from surrendering to the Chinese army and it is reported that a railway will be built to connect Jehol and Dolonor, so as to enable the transportation of troops and supplies to the front at the shortest notice. Large quantities of ammunition have been sent to the front from Dolonor already. All the carts belenging to the farmers have been concentrated at Dolonor for the transportation of troops and ammunitions.

Declaring that the occupation of Pailienmiao by the Chinese troops in the last Suiyuan war can only be considered as victory of one battle rather than the final victory, the *China Evening News*, in an editorial April 11 said: "It must be pointed out that the irregulars must be well prepared if they want to start another attack against East Suiyuan. It will take stronger defence lines to repulse the enemy. It is to be hoped that the authorities will decide to take offensive tactics in the next Suiyuan war, so as to wipe out all the irregulars in North Chahar and destroy the very foundation of the traitors, leaving them no room to cause any disturbances in the future. It is only by so doing that we shall be able to pacify the Suiyuan and Chahar provinces."

Marshal Feng Says Military Force Only Way to Recover Eastern Hopei

The recovery of the territory in Eastern Hopei and Northern Chahar can only be effected by military force, declared Marshal Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission, in a press interview at Hangchow April 13.

Ninety-seven Germans Deprived of Citizenship

The German Government April 16 deprived 97 persons of citizenship in Germany and confiscated their property. A spokesman for the Ministry of Interior said that all were in exile and that most of them were Communists. Forty-one of the expatriates were accused of "behavior damaging to the interest of the Reich," while the remaining 56 were relatives of those accused.

Japan Exchanges Professors with Germany and Italy

Prof. Chuta Itoh, professor emeritus of the Tokyo Imperial University and an authority of Oriental architecture, has been chosen to become an exchange professor to Germany. Simultaneously, Dr. Kosaku Hamada, noted archeologist and professor at the Kyoto Imperial University, has been selected to proceed in a similar capacity to Italy. Both willl leave Japan next autuman.

Jews Banned from Sports in Germany

Jews in Germany have been forbidden by the Secret Police to indulge in any sport like tennis, football or rowing in public until June 15. The ban, it is explained, is being enforced as a reprisal against pro-Jewish propaganda against the Nazis outside Germany. The showing in New York of the film "Christian Martyrs in Germany" is mentioned in this connection.

German Consul at Los Angeles Objects to Film "The Road Back"

The Berlin *Der Angriff* April 16 ridiculed a report from Los Angeles that the Movie Actors' Guild had discussed a petition of the Anti-Nazi League for the removal of the German Consul in Los Angeles, Dr. George Gyssling. The Consul was reported to have warned Universal Films that the picture "The Road Back" could not be distributed in Germany if it contained anything injurious to German prestige.

Abyssinians Flee in Droves to British Somaliland

Fleeing Abyssinians have of late been streaming across the frontier from Ethiopia into British Somaliland. Over 1,000 men, women and children crossed the border April 12 and more on later dates.

Spanish Issue No Longer in Doubt—Dean of Canterbury Says Spanish Government Has Taken Whip Hand

"Without foreign aid the Spanish issue seems no longer in doubt," declared Dr. Hewlett Johnson, Dean of Canterbury, on his arrival in Paris April 15 from a visit of inspection in Spain. "Unless General Franco gets more man-power and material from abroad," Dr. Johnson continued, "he will fall before the government forces, which have taken the whip hand in many districts and are driving the enemy from the walls of Madrid, and protecting the coal and mercury mines."

Italy Willing to Discuss Withdrawal of Volunteers from Spain

At a meeting of the Non-Intervention sub-committee at the London Foreign Office April 15 the Italian representative, in response to an appeal for a spirit of goodwill by the chairman, Lord Plymouth, declared that he was prepared to resume discussion of the withdrawal of volunteers from Spain provided that a similar response was made by the other representatives.

Wounded Armed Robber Taken From Hospital, Court-Martialled and Executed

Taken from the municipal hospital where he had been recuperating from wounds received in a gun battle with the police, a Chinese armed robber was condemned to death by a courtmartial and executed at Tienchiao, Peiping, April 19, in the presence of a large crowd of spectators. It was the first time that a criminal had been executed under such circumstances.

Japanese Buy Land to Expand Concession in Tientsin

By the intermediary of a Chinese, the Japanese authorities have purchased a large tract of land of about 400 mow at Sikai adjoining to the Japanese Concession in Tientsin, the *Sin Wen Pao* stated April 17. It is reported that Japanese police offices will be built on the area on May 1 and the residents in the area have been asked to move away within this week. It was further reported that the Japanese are planning to purchase more land near the newly acquired area so as to extend the Japanese Concession to Nankai and Lulitai where the Ta Chang Agricultural Experimental Station, a Japanese enterprise, Japanese graveyard and a Japanese chemical factory are located.

Railway Official Buys Land for Building of Japanese Barracks—Farmers Object

At the request of the Japanese military authorities in North China, Chen Chueh-sen, managing-director of the Peiping-Liaoning Railway, is purchasing 5,000 mow of land for the building of an airdrome and barracks at Fengtai. It is reported that Mr. Chen has succeeded to purchase 2,000 mow of land, of which about one-third belonged to the Peiping-Liaoning Railway Administration. Knowing that Mr. Chen is purchasing land for the Japanese, the farmers who own the land in the area have of late refused to sell their land. It is further reported that for two months, Mr. Chen failed to persuade the farmers to give up their land and meanwhile the Japanese military authorities are making preparations to build the airdrome and barracks.

Further Economic Penetration Into North China from Manchuria

With the recent establishment of the Mongolian-Manchurian Woolen Goods Factory, the Nakayama Steel Firm, and the Japanese Paint Company in Tientsin, other industrialists of Fengtien are now continuing their investigations, with a view to extending their economic influence over North China, the *Shanghai Nichi-Nichi*, of April 19 stated.

Foundation Stone for Another New Japanese Cotton Mill Laid

The foundation stone of the new Japanese Santai Cotton Mill, of the Shanghai Cotton Manufacturing Company, was laid in Tientsin, April 18. Capitalized at $1,200,000, the new factory will start operation within this year.

Japanese Consuls-General in North China Meet in Tientsin

Japanese Consuls-General in North China held a general conference in Tientsin April 18, at which reports of those who returned lately from Tokyo were heard. Problems of Sino-Japanese economic co-operation were also on the agenda.

Japanese Military Conference to Be Held in Tientsin

A conference of Japanese military officers in North China will be convened in Tientsin at the end of this month at the Japanese Garrison Headquarters. Major-Gen. Hashimoto, chief of staff of the Japanese Garrison in North China, will make a report on his trip at the meeting.

The Japanese Garrison in North China, the Kwantung Army and the South Manchuria Railway Company sent representatives to Changchun this week for a joint conference. It is stated that the Japanese authorities will discuss the present conditions in North China and will form a new policy toward the area. It may be recalled that the Kwantung Army and the Japanese Garrison in North China refused to allow the visit of the Japanese Economic Mission to North China last month.

Japanese Commander in North China Returning to Japan

Lt.-Gen. Tashiro, commander of the Japanese Garrison in North China, will return to Japan in the near future as soon as the chief-of-staff of the Japanese Garrison returns from Tokyo. It is further reported that the Japanese Garrison in North China will be expanded to the same status as the Kwantung Army in Manchuria.

Building of Tsangchow-Shihchiachuan Railway to Be Started This Summer

It is reported from Peiping that the Chinese authorities there are in favor of the building of the Tsangchow-Shihchiachuan Railway, for which the Japanese authorities have decided to furnish capital. The Oriental Development Company, a Japanese concern, has agreed to invest from $20,000,000 to $30,000,000 for the building of the railway. It is reported that construction work of the railway will be started this summer.

A member of the Board of Directors of the South Manchuria Railway Company arrived in Shanghai April 15 from Peiping by plane. He called on the managers of the Japanese banks in Shanghai, including the Yokohama Specie Bank, the Bank of Chosen, the Bank of Taiwan, the Mitsui Bank, the Mitsuibishi Bank, the Oriental Bank and the Shanghai Bank, urging them to furnish funds for the building of the Tsangchow-Shihchiachuan Railway.

Japanese Plan to Invest Large Sum in Hopei Province

As a result of the efforts of Major Ikeda, head of the Economic Section of the Japanese Garrison in Tientsin, who is now in Japan to induce Japanese capitalists to invest in North China, the Oriental Development Company has decided to invest from $20,000,000 to $30,000,000 in North China for the development of its natural resources, a *Central News* message from Tientsin April 13 stated.

10,000 Mow of Land Purchased by Japanese in East Hopei for Cotton Plantation

The Tientsin branch of the Japanese Cotton Mill Owners' Association and a number of Japanese financiers have purchased large tracts of land in East Hopei for the planting of cotton. A total sum of $5,000,000 will be invested. The director of the Japanese Toya Company is due in Tientsin shortly to discuss plans with the Japanese militarists regarding the cotton planting enterprises.

Japanese to Construct Jehol-North China Railway

Indicating the Japanese determination not to abandon Eastern Hopei, a new railway between Jehol and Tungchow will be constructed. The railway is of great military significance, the *Shih Shih Hsin Pao* of April 17 stated.

Japanese Lodge Protest Against Tampering with Military Telephone Line

According to Chinese reports, the Japanese military authorities have lodged a strong protest with the Hopei-Chahar Political Council against frequent tampering with the Japanese military telephone line between Tientsin and Peitsang. Such tampering, they allege, is the work of persons connected with the Chinese communications service in Tientsin.

Japanese to Build Flour Mill in Tientsin

If they fail to purchase the Chiashun Flour mill, a Chinese concern in Tientsin, the management of the Er Tung Flour Mill, a Japanese concern, will build a flour mill there, according to Japanese reports from Tientsin.

Japanese Population in North China Increases

There was a great increase in the number of Japanese residents in North China during the month of March. The total Japanese population in North China is now placed at 18,211, with 11,409 in Tientsin, 4,024 in Peiping, 376 in Tangku and 1,347 in Tangshan.

Tientsin to Begin Search of Smuggled Goods Beginning from May 10

A thorough search of smuggled goods stocked by wholesale merchants will be started in Tientsin, on May 10 by the Customs authorities in accordance with instructions from the Ministry of Finance.

Seven Smuggling Enterprises Suspend Business in Tientsin

Seven smuggling shops suspended their business in Tientsin last week because of the registration of the smuggled goods, which makes it impossible to send any more of the smuggled goods from East Hopei to Tientsin.

Eden Tells House of Commons That Smuggling in North China Is Decreasing

In the House of Commons April 13, Foreign Secretary Mr. Eden said that the smuggling in North China had apparently diminished recently. In view, however, of indications which had reached him, he was considering whether there were any further steps that could usefully be taken.

Japanese Troops Stage Maneuvers at Tungchow

Japanese troops, totalling 1,000 men, stationed in Peiping, Fengtai and Tungchow staged a series of maneuvers at Tungchow on April 20.

Japanese Troops Pay a "Friendly Visit" to Rural Villages

A special message, published in the Magazine *Chung Kuo Nung Chuan* April 1, depicts the "friendly maneuver," which was recently staged by the Japanese troops in the rural district to the south of Tientsin. It states:—"The maneuver, staged by our 'friendly' troops in our Chinese territory, is a matter of repeated occurrence. A demonstration was lately conducted by them in Nanhsiang, more than twenty Chinese li from Tientsin, which lasted for five days. These 'friendly' soldiers not only occupied the houses of the local civilians, but also those better furnished. Although the huts, in which the local rural peasants live, were in bad repair, yet, the owners of these broken houses, expressing their 'welcome' to the 'friendly' soldiers, tore down the windows and doors and brushed the walls with manure, so that the 'friendly' soldiers might not pay their 'friendly' visit. But the 'friendly' soldiers were so 'friendly' that they persisted in their occupation of these houses."

WILL MY HUSBAND EVER GET RID OF HIS NERVOUSNESS AND BE HIMSELF AGAIN, DOCTOR ?
ONLY WITH PROPER NERVE-NOURISHMENT. I ADVISE A DAILY DIET OF QUAKER OATS
BECAUSE...
HIS CASE IS TYPICAL OF DOZENS. RECENTLY A YOUNG MAN CAME TO ME. HE WAS A NERVOUS WRECK, COMPLETELY STARVED FOR A CERTAIN ELEMENT WE FIND IN QUAKER OATS.
FOR LACK OF THIS SAME PRECIOUS FOOD ELEMENT-VITAMIN B- HIS INTESTINAL TONE WAS POOR. HE SUFFERED THE USUAL BY-PRODUCTS OF CONSTIPATION.
I EXPLAINED HOW THE BODY CANNOT STORE VITAMIN B - IT MUST BE TAKEN IN DAILY. IN QUAKER OATS, NATURE GIVES GENEROUSLY OF THIS NERVE-NOURISHING VITAMIN.
TODAY WHEN I SEE HIM HE IS A MADE-OVER PERSON. BETTER APPETITE AND VITALITY. NERVOUS TROUBLE ALL GONE. CONSTIPATION CURED JUST BY GETTING A DAILY SUPPLY OF VITAMIN B IN QUAKER OATS
HE'S THANKFUL FOR THAT BIT OF ADVICE!

M-22

Nervous, irritable, run-down people **NEED THE NERVE-NOURISHING VITAMIN AND ANAEMIA-COMBATING MINERALS IN DELICIOUS QUAKER OATS**

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If you prize your health, protect it with a daily diet of Quaker Oats. Quaker Oats is rich in the vital nerve-nourishing Vitamin B!

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Made from plump Dominion grain.

50% richer in muscle-building value.

QUAKER OATS

Gives you the Vitality to keep you fit

Two French Soldiers Create Incident with Japanese at Peiping

Two French soldiers created another incident in Peiping last Sunday night, due to the fact as they later explained, that the premises they tried to enter more or less by force had previously been occupied by Japanese prostitutes and they did not know that the occupants that they had known there had moved away. The upshot was that the Japanese authorities lodged a protest at the French Embassy against the efforts of the two Frenchmen to enter the quarters of Mr. and Mrs. Okabe in the Kitamura Apartments, Papao Hutung, in the East City, despite the protests of the lady of the house. Unable to resist the two soldiers, Mrs. Okabe, according to the Japanese authorities, shouted for assistance. This call was answered by Kunishige Miyazaki, a 26-year old watchmaker. Turning their attention to the youth, the Frenchmen, the authorities said, badly beat him up, inflicting lacerations on his face and bruises on the body.

A French military court of inquiry investigated the affair.

New Building for Sun Yat-sen Memorial Medical College Nearly Completed

The contractor for the Sun Yat-sen Memorial Medical College is now putting on the finishing touches, the Canton correspondent of the *North China Daily News* reports. Seven years ago the Canton Hospital, oldest in all China, probably the oldest in the Far East, was amalgamated with the Lingnan University, and the property of the Hackett Medical College, also a Christian institution, was acquired by consolidation. With a grant from the Central Government and from the Board of Trustees for the Administration of the Boxer Indemnity Funds the old hospital has taken a new lease on life and, now that it has branched out into the field of medical education, will become even more famous. For its school building and equipment, the Sun Yat-sen Memorial Medical College got $500,000 from Nanking, from which it will also draw $100,000 annually towards maintenance. It is also getting $60,000 from the Boxer Indemnity funds, which will help to make possible the realization of the immediate development plans.

U.S.S.R. to Supply China With Ammunition, Says "Shanghai Mainichi"

The *Shanghai Mainichi* April 16 stated that the last obstacle to a Sino-Soviet rapprochement was removed recently as a result of the conclusion of a truce agreement between the Kuomintang and the Communists.

At the negotiations between Dr. Wang Chung-hui, Minister of Foreign Affairs, and D. Bogomoloff, Soviet Ambassador to China, who returned to his post recently from Moscow, among the points discussed were that on the basis of absolute equality, the U.S.S.R. will buy as much tea as she needs in China and in turn China will help the U.S.S.R. to develop her economic activities in North China. Furthermore the U.S.S.R. will supply China with arms and ammunition and products of Soviet heavy industry; further the Sino-Soviet commercial pact will openly recognize the economic privileges of the United States of America, Great Britain and France in China, so as to form a sort of collective security system on the Pacific. The real aim is, of course, anti-Japanese, the *Mainichi* commented.

Soviets Want American Assistance in Building Battleship with 16-inch Guns

The Soviet Government, the U.S. State Department revealed in Washington, April 16, recently approached two American companies for the supply of material, designs and equipment for a modern capital-ship armed with 16-inch guns, to be assembled in Soviet yards. The State Department objected to the proposed transactions on the ground that the maximum calibre of guns for battleships was still an international issue, and the export of the required weapons from the United States might create a situation inimical to American interests.

American naval circles in London April 16 denied that the conversations between Norman Davis, American Ambassador at Large, and Ivan Maisky, Soviet Ambassador to London, dealt with the development of the Soviet navy. They assert that M. Maisky only informed Mr. Davis of the negotiations for Anglo-Soviet naval accords and explained why the U.S.S.R. will insist on the building of 10,000-ton cruisers of the "A" type and why the Soviets will accept a limitation of the fleet only if Japan respects the same restrictions.

A *United Press* telegram from Paris April 17 stated that the U.S.S.R. was negotiating for the use of French shipyards and American technicians to build a navy equal to that of Japan. The Soviet Union, it was added, hopes to rush ships to completion in Soviet ports under the supervision of American technicians.

The U.S. Department of State gave negative replies to two American concerns which requested permission to ship to the Soviet Union designs for steel guns and equipment from which the U.S.S.R. could construct a battleship. The State Department said that the plan was contrary to general policy.

"Shun Pao" Says Expansion of the Soviet Navy Will Hinder Japanese Aggression

The Shanghai *Shun Pao*, in a leading editorial April 19, commented: "The expansion of the Soviet Navy and the co-operation of the U.S.S.R. and the United States of America will deal a heavy blow at the Japanese aggression in the Far East. The increase planned in the building of Soviet warships bears great significance on the present situation in the Pacific. The increase in the building of Soviet warships was ushered in by the British-Soviet Naval Agreement signed last year. Since that time, the Soviet authorities, while increasing the building of submarines, have made their best efforts to open up a route to the Far East, in order that the Soviet Warships in the Baltic and White Seas may be speedily sent to the Far East in case of emergency by the Northern Sea Route.

The Shanghai *Lib Pao* April 17 commented:—"So far as Far East is concerned, the conflict of interests between America and Soviet Russia has been greatly minimized by the enforcement of Japan's aggressive policy. The augmentation of the Soviet Navy in the Far East will do no harm to the United States. A Soviet-American co-operation, however, will not be effected in the immediate future. Such co-operation requires more time."

Modifications of Soviet Policy in Asia Discussed at Moscow Conference

Modifications in Soviet policy towards Asia are generally understood to have been discussed at a meeting in Moscow attended by Dimitri M. Bogomoloff, Ambassador to China, and envoys to Afghanistan and to Italy, a recent *Domei* message from Tokyo stated. Meantime, three Japanese officials are proceeding to Russia after attending a series of conferences at the Tokyo Foreign Office, viz., Yujiro Sugishita, consul-general in Vladivostok, Kazuji Kameyama, second secretary of the Embassy in Moscow, and Nagao Kita, a secretary in the Bureau of Information.

Soviets Said Planning "International Front"

Moving towards the creation of an "international anti-Japanese front," the Soviet Union will soon approach various Pacific powers with a proposal for the conclusion of a collective Far Eastern security pact, the *Shanghai Mainichi* said April 16. In exchange, the Japanese newspaper alleged, the U.S.S.R. would promise to "respect the vested interests of the United States, France and Britain in China."

Soviet Deserter Shot Dead by Guards While Attempting to Cross Amur River

A Soviet soldier deserter, armed and with full equipment, who attempted to cross over the frozen Amur River at Blagoveschensk on April 15, was shot dead by Soviet frontier guards, who opened fire on the man midway in the river. Soviet cavalry and infantry of the frontier guards have now been considerably increased.

"Shanghai Russia Study Association" Organized by Japanese in Shanghai

Twenty-two Japanese, who formerly resided in Russia, met at a French Concession (Shanghai) restaurant April 12 for the inaugural meeting of a society for the study of conditions in the Soviet Union. It is to be known as the "Shanghai Russia Study Association." The members of this Association consist of those, who hold a post in connection with Russia, those, who stayed in Russia before, and those who are making a study of Russia.

Soviet Expedition Finds Huge Resources in Kamchatka

A recent *Tass* message from Moscow called attention to the fact that for three years in succession—beginning with 1934—the Academy of Sciences of the U.S.S.R. has sent large expeditions to study the natural riches of Kamchatka, one of the most interesting and little explored regions in the Soviet Union. Geologists, soil experts, botanists and sylviculturists have investigated the riches of this territory of more than a million square kilometres. Some valuable mineral deposits have already been discovered: coal has been found in the regions of the Krutogorovo, Tiguil and Korf settlements. Oil has been discovered near Bogachevka. Deposits of sulphide ores have been located in the Sredinny Mountain Range. Their existence also points to the possible presence of gold beds in this region. Chromite and magnesite (used in the smelting of particularly hard metals) have likewise been found there. Hundreds of mineral springs of medicinal value have likewise been discovered.

Comintern Offers $25,000 Rouble Prize for Best Anti-Religious Pamphlet

The Comintern has offered a prize of 25,000 roubles for the best anti-religious pamphlet and a prize of 400,000 roubles for the best film combatting religious propaganda and missionary work.

German-Soviet Rapprochement Denied by Both Germans and Soviets

Acting on instructions of the Berlin Government, the German Embassy in Tokyo April 17 denied press reports of an impending Soviet-German rapprochement. Similar denials came from Moscow.

The source of rumors regarding the impending rapprochement between Nazi Germany and the Communist Russia was traced by the Tokyo *Miyako*, a sensationalist daily, to Moscow.

Leading Soviet Executives Accused of Sabotage in Lena Goldfields

Another mammoth sabotage trial in Soviet Russia is in the offing with the revelation in Moscow April 19 that a number of leading Soviet executives have been accused of acts of sabotage in the Lena goldfields. Damage has been caused, particularly, in the construction of a power station designed to serve new mines, while exploration work is also said to have been hindered. Supporters of Leon Trotsky, the exiled Bolshevik leader, are held mainly responsible.

British Aircraft Carrier "Ark Royal" Launched—Cost £3,000,000

Guns booming along the Merseyside (England) heralded the launching April 13 of the giant aircraft-carrier *Ark Royal*. The *Ark Royal*, which is 700 feet long, has more deck spread than any other aircraft-carrier, and carries 70 airplanes. She cost £3,000,000 to build.

Two Explosive Factories in Melbourne to Cost £300,000

Two explosives factories for defence purposes, costing a total of £300,000, will be established in Melbourne, according to an announcement made in Melbourne, April 15 by Lieut.-Colonel Sir Lennon Raws, Chairman and Managing Director of the Imperial Chemical Industries of Australia and New Zealand.

Residents of Netherlands India Petition for Bigger Fleet

Over 50,000 of the people of the Netherlands East Indies last week signed a petition urging the Netherlands Government to provide stronger land, sea and air defences for its Far Eastern colonies.

The fleet in the Netherlands East Indies comprises only three cruisers, six destroyers, 12 submarines and some minesweepers, More submarines, destroyers and aircraft have been promised, but the additions are not considered sufficient.

Nine Mine-Sweepers Transferred from Malta to Singapore

Nine mine-sweepers, which arrived recently at the Singapore Naval Base, are to be stationed there permanently. They came from Malta.

New Japanese Destroyer Launched at Maizuru Dockyard

The 1st class destroyer Oshio, the keel of which was laid last August in the naval dockyard at Maizuru, was launched April 19.

U.S. Navy Engages in Huge Maneuvers in the Pacific Ocean

One hundred thirty-nine United States naval units, the greatest concentration, for purposes of maneuvers, in American history, were headed for Hawaii this week in an "attack" on Pearl Harbor. The action was a preliminary exercise to the carrying out of Naval Problem 18 by the entire fleet. Sky fighting on a greater scale than ever known in sea "war" is among the plans. It was believed in many quarters that it would be demonstrated that the army, navy and air defences of Oahu, the main Hawaiian Island, considering the great speed and range of possible raiding planes, are inadequate. The opinion was also expressed that the maneuvers would reveal the insufficient submarine strength of Hawaii. The estimated total cost of Pearl Harbor defences on an adequate scale would be more than $100,000,000.

Two hundred fighting ships, comprising most of the underage combat units in the navy, have been marshalled to take part in the maneuvers over an expanse of 2,000,000 square miles.

The "arena" is a great triangle 2,000 miles or more on each side, reaching from California, to the Aleutian Islands, off Alaska, on one side and thence to Hawaii. The only barrier to the operations of the ships will be the invisible line drawn through the Pacific marking the 180th meridian. U.S. Naval officials said that the ships would not cross it at any point, under a tacit understanding with Japan that the meridian marks the limits for war maneuvers, beyond which the ships of the other nations will not advance.

President Roosevelt Scores Militarism in Pan-American Day Talk in Washington

A speech, extolling Democracy and strongly condemning militarism, was delivered by President Franklin Delano Roosevelt before a meeting of the Pan-American Union, held on the occasion of the Pan-American Day celebration in Washington April 14.

"Democracy," the President said, "cannot prosper in an atmosphere of insecurity, which is the consequence of extreme militarism accompanied by the suppression of freedom of speech and religion. This situation is contrary to the ideals of Democracy, based on the free choice of their government by the peoples themselves."

Hoare Makes Plea Against Unrestricted Naval Building—Offers Friendly Relations with Japan

Grave apprehension over the possibility of unrestricted competition and unlimited design in naval construction was expressed by Sir Samuel Hoare, First Lord of the Admiralty, in a speech at a dinner given by the Royal Corps of Naval Constructors in London April 16. Sir Samuel made a strong plea to the Naval Powers to do their utmost to avert from the world "the almost intolerable burden of unrestricted competition in naval construction," and to show that, on land and sea and in the air, it was possible to make international agreements and maintain them.

There was no reason, Sir Samuel Hoare said, why Britain and Japan should not resume the relations that had been so satisfactory a feature in former years.

Anti-Lynching Bill Passed by U.S. House of Representatives

Close on the heels of the lynching of two negroes near Duck Hill, Miss., the U.S. House of Representatives Apr. 15, passed an anti-lynching bill by a vote of 276 to 119. The measure, which makes lynching a Federal offence, provides for the imposition of heavy fines and or imprisonment on sheriffs or tonstables permitting prisoners to be taken from custody and cilled, while individuals composing lynch mobs are made subject ko similar penalties. The bill was bitterly opposed by Democrat tmembers from the southern states, and it is believed likely that it will be shelved when it reaches the Senate.

U.S. Silver Policy Unchanged—Cheap White Metal Remains Dominant

Cheap silver remains the dominant policy of the United States Treasury, well-informed financial sources declared in Washington April 9, in commenting upon rumors current in the money marts of the world that the United States was contemplating certain changes in its monetary policies.

The four-year international silver stabilization agreement, which expires this year, has served its purpose and may not be renewed, Senator Key Pittman, Senator from Nevada, declared in Washington April 7.

At his daily press conference in Washington April 9, President Roosevelt put a final quietus to the report of the Government's alleged plan to lower its buying-price for gold, which had caused such a flurry in financial circles in London and the Continent.

Operations of Alaska-Juneau Gold Mine Show Good Profit in March

Operating revenue of the Alaska-Juneau Gold Mining Company during the month of March totalled $505,500, and expenditures $271,500, company officials announced in San Francisco April 7.

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Full tuition including personal teacher Yuan	$ 75
Board and room in hostel per day	4
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ACADEMIC CALENDAR 1937

Opening of Summer Term	Monday, June 28, 1937
End of Summer Term	Friday, July 30, 1937
Opening of Autumn Term	Monday, October 4, 1937
Thanksgiving Holiday	Thursday, November 25-26, 1937
End of Autumn Term	Friday, December 18, 1937

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Textile Conference Discusses Labor Control in Foreign Settlements in China

The absence of all governmental control, either foreign or Chinese, over factories in the foreign concessions of China was the feature of discussions at the World Textile Conference in Washington, April 14. The drafting committee in its report was expected to mention the desirability of a solution of China's problem of extraterritoriality.

Sharp Objection by a British Employers' Delegate

One of the sharpest debates of the Conference occurred April 16, as a result of a report by the committee on social conditions. Thomas Ashurst, British employers' delegate at the conference, objected vigorously to the report, asserting that British employers were "not prepared to allow any suggestion regarding working hours to go to Geneva." If such a proposal were included, he said, he would move to delete the entire summary of the committee containing the proposal.

A large and influential deputation from the Lancashire cotton industry, representing both employers and workers, April 16 laid before the President of the Board of Trade, Walter Runciman, an appeal for further consideration and effective action by the Government on the two main problems confronting the industry—internal reorganization and the recovery of export markets.

Legislative Yuan Defers Action on International Convention Regarding Wages and Hours

The Legislative Yuan at its meeting April 6, acting on the joint report of the Foreign Relations and Labor Law Committees, decided that ratification of the two International Conventions—one relating to the payment of wages for workers during annual holidays and the other to the reduction of working hours in public (Government) engineering work—be temporarily deferred.

Revival of World Trade to Be Discussed in Washington

Revival of world trade is expected to be discussed in Washington between President Roosevelt and M. Paul van Zeeland in June, when the Belgian Prime Minister visits the United States, ostensibly for the purpose of receiving the honorary degree which Princeton University is conferring upon him. Although the U.S. State Department disclaims any knowledge of the purpose of the Belgiam Premier's visit, dispatches from Brussels said he was proceeding to Washington to discuss ways and means of reviving world trade.

Tokyo Thinks Time Not Ripe for World Economic Talks

A belief that the time is not ripe for an international economic conference was expressed by leading Japanese financiers in interviews in Tokyo, April 18. With most countries placing their own narrow interests above the considerations of universal welfare, all efforts to convoke such a conference are doomed to dismal failure, the financiers agreed.

Kadono Mission to U. S. Will Seek Frank Exchange of Views

A frank exchange of views with the business and official circles of the United States and Great Britain is the chief objective of the economic mission, which will leave Osaka on April 28, according to Chokuro Kadono, head of the mission and President of the Tokyo Chamber of Commerce and Industry, at a farewell reception given in his honor by the Kwangsi industrialists.

A request that the mission attempt to establish closer connections between the iron industries of Japan, England and British India was made by Yunosuke Kurimoto, head of the Iron Works bearing his name. He also pleaded that the Japan Economic Federation, in its apparent advocacy of "liberalism in trade," should not ignore the "economy of trade blocs" or "autonomous economy."

South China Cotton to Be Shipped to Japan

A Chinese cotton firm has been established at Amoy, with Japanese capital, totalling $200,000. The *Ta Wan Pao* says this a sum of $200,000 will be loaned to Chinese peasants for the planting of cotton, which will be shipped to Japan after the harvest.

Ministry of Industry Plans Building of Five Cotton Mills

Well-informed industrial circles in Shanghai state that the Ministry of Industry is planning to establish five big cotton mills. It is reported that these mills will be built in the interior and that British machinery will be purchased for these mills.

Italy's Recognition of Manchukuo Denied by New Ambassador

Reports that Italy would extend recognition to Manchukuo were characterized as unfounded rumors by the Signor Cora, new Italian Ambassador to China, in an interview in Shanghai April 13.

Six Japanese Arrested for Smuggling Narcotics in Tehchow

Six Japanese drug smugglers recently arrested at Tehchow, in northern Shantung, were handed over to the Japanese authorities at Tientsin April 14. The opium and heroin, weighing more than 300 catties, seized during the arrest of the smugglers, was later transported to Tientsin from Tehchow.

Smuggling of Opium from Jehol to Fukien Frustrated

An attempt of Japanese smugglers to send $10,000 worth of opium from Jehol to Amoy was frustrated April 13 when the Customs inspectors found and confiscated the opium on board the s.s. *Tangshan Maru*. One arrest was made in connection with the smuggling.

Anti-Narcotic Campaign Launched in Shansi

Sixty two districts in Shansi, including Taiyuan, jointly launched an anti-narcotic campaign starting April 16, when a one-week opium and narcotic suppression publicity campaign was begun. In Taiyuan, a mammoth meeting was held in which speeches were delivered on the drug evil.

Maria Wen to Be Held Indefinitely in Los Angeles Hospital

Maria Wen, recently convicted of attempting to smuggle heroin into the United States from China, must remain in the Los Angeles County hospital for an indefinite period, a recent dispatch from Los Angeles stated. Miss Wen, sentenced to twenty years imprisonment or alternative deportation, was recently denied a modification of her sentence. Judge Stephens, however, ordered that she be given the best possible treatment at the hospital. She is said to be suffering from an incurable disease.

Peiping-Suiyuan Railway to Be Extended to Paotou and Ninghsia

The railway authorities at Peiping have decided to extend the Peiping-Suiyuan Railway to Paotou and Ninghsia. It is estimated that the entire work will cost $27,000,000, of which about $17,000,000 will be spent for the purchase of building materials and rolling stocks.

A Chengchow message states that the Chengting-Taiyuan Railway will be made a branch line of the Peiping-Hankow Railway. The Taokow-Chuwang extension of the Taokow-Chinghua branch of the Peiping-Hankow Railway was opened to traffic last week.

Kiaochow-Tientsin Railway Notes to Be Redeemed

Concrete measures for the redemption of the Yen 40,000,000 Treasury Notes of the Kiaochow-Tsinan Railway issued in 1923 to the Japanese creditors have been agreed upon between the Ministry of Railways and Ko Kwang-ting, Chairman of the Administrative Committee of the Railway. The term of the Notes will expire at the end of this year.

Two Spanish "Legations" in Tokyo as Result of Civil War

One of the results of the Spanish civil war is that there are two Spanish "legations" in Tokyo. Senor Jose Luis Alvarez, 27-year-old former college instructor in Osaka, who was officially gazetted as Spanish charge d'Affaires on April 1 and whose letters of appointment were accepted by Foreign Minister Sato on April 6, is occupying a single room in the Marunouchi Hotel, which he calls "The Legation." Senor Juan Gomez de Molina, counsellor, whose letter of recall was filed with the Foreign Office on April 1, however, still is in possession of the Spanish Legation buildings in Hyobeicho, in the exclusive Azabu district.

"Secret Code," Film Product of Central Motion Pictures Studio, Draws Large Crowds

The Central Motion Picture Studios film "The Secret Code" played to crowded houses the Grand Theatre, Shanghai, three days this week. The story of "The Secret Code" revolves around the theme of under-cover workers during the Northern expedition of 1926 and 1937. "The Secret Code" was filmed on the studio lots and the sound stages of the "continent" Asia, one of the five islands in Lotus Lake. The technical staffs of the studio include a dozen men trained in cinematography in United States. These men operate Mitchell cameras, developed after many years of patient effort in Hollywood. The *China Press* mentioned that much of the fine equipment of the Central Motion Pictures studio is home-made. Many of the arc lamps and all the stage settings are made in this country. The property division of the studio is an entirely new industry created by the movie industry. One of the most interesting sights on the studio lot is the cartoonists' laboratory, marking the entry of China into the newest art of the film industry next to color photography.

Stearman Training Planes Shipped by Boeing Subsidiary to Philippine Army Air Corps

Bound for the training grounds of the Philippine Army Air Corps, a fleet of Stearman primary and advanced training planes was recently shipped from The Stearman Aircraft Company, Boeing Airplane Company subsidiary at Wichita, Kansas. The shipment included four Stearman Model 73-L3 primary trainers and three Stearman Model 76-D1 advanced training and expeditionary type planes—a substantial addition to the flying equipment of the Philippine air force, which has used Stearman trainers exclusively since its inception. Both types are two-place biplanes.

Revised Sugar Bill Would Limit Shipments from Philippines to 80,214 Tons Per Year

The U.S. House of Representatives agriculture sub-committee adjourned April 9 without acting on the revised sugar bill submitted by the Department of Agriculture. The revised draft of the sugar bill will provide for a single domestic sugar quota, inclusive of Hawaii, Puerto Rico, and the Virgin Islands. Import quotas for foreign countries and the Philippines would be fixed by prorating them 44.67 per cent of the country's estimated consumption. The measure would forbid the Philippines to ship more than 80,214 short tons of refined sugar to the United States each year.

Joint Committee to Study U.S.-Philippine Economic Relations

President Roosevelt April 14 approved that a joint Philippine-American committee should study economic relations between the two governments preparatory to terminating preferential trade treatment.

Manila Stock Exchange Bans Short-Selling

The Governing Committee of the Manila Stock Exchange decided April 16 that no short-selling would be permitted except by permission of the committee.

Louisiana Senator Introduces Bill Favoring Filipino Seamen on U.S. Vessels

Senator J. Ellender from Louisiana April 15 will introduce a bill for the relief of Filipino seamen providing that any citizen of the Philippines who, prior to May 1, 1934, was lawfully admitted to the States for permanent residence and who has served one year aboard United States vessels shall be eligible to serve on passenger, cargo and fishing vessels of the United States at all times prior to the complete relinquishment of American sovereignty over the Islands.

President Roosevelt to Seek a Perpetual Treaty for Neutralization of Philippines

A provision that President Roosevelt take steps at the earliest practicable date to enter into negotiations with unnamed powers with a view to the conclusion of a treaty for perpetual neutralization of the Philippines, is contained in a preliminary agreement reached in Washington April 17 between President Manuel Quezon of the Philippines and Francis B. Sayre, Asst. Secretary of State.

Four Salt Fields at Tangku Returned to Owners by Japanese

After repeated protests, four salt fields at Tangku, which were forcibly occupied by Japanese troops last October, were returned to the owners April 18.

Kwangtung Salt Merchants Protest Against Higher Salt Tax

Protesting against the higher salt surtax collected in Kwangtung, a delegation of salt merchants called on General Wu Te-chen, new Chairman of the Kwangtung Provincial Government, at Canton April 18, to appeal for the abolition of the recent increase in the tax and for the improvement of the measures for the transport and sale of Kwangtung salt in Hunan.

Salt Smuggling Along Fukien Coast Becomes Serious

The smuggling of salt along the Fukien coastal districts is reported to be growing more serious, according to information received by the Fukien Provincial Government.

General Ho Chien Joins Nanking-Yunnan Motor Bus Expedition

With the arrival of the Nanking-Yunnan motor-bus expedition from Kiangsi, a mass meeting was held in Changsha, April 14 under the joint auspices of the Hunan Provincial Government, the Provincial Party Headquarters, and the various local civic organizations. Over 10,000 officials and civic representatives were present to welcome the travellers.

It is announced from Changsha that General Ho Chien, has decided to accompany the Nanking-Kunming caravan party to the Hunan-Kweichow border. He will visit the mountainous region with the party to study the conditions of the Miao tribes.

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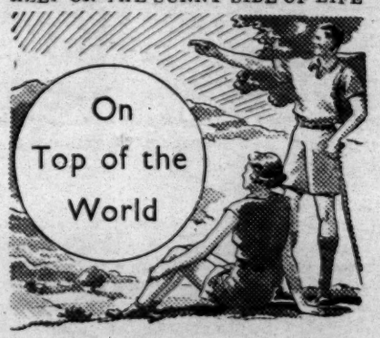

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Japanese Object to Provisional Accord on Outside Roads

Objection to the "abrupt signing" of a provisional accord on house taxes in the extension areas was voiced in its editorial columns by the *Shanghai Mainichi*, April 17. This objection was raised in counection with the fact that H. E. Arnhold, former Chairman of the Shanghai Municipal Council, had announced at the ratepayers' meeting, the conclusion of an agreement between the Council and the Shanghai City Government on the previous day.

"Although the nature of the accord has not been revealed," the *Mainichi* said, "we understand that it provides for the collection of the house taxes by the City Government, while a certain percentage of the receipts will be turned over to the S.M.C., in consideration of its investments in the Extra-Settlement areas and for the facilities it gives these areas." There is no doubt, said the daily, that "under the present circumstances," the Council will approve of the accord.

"Negotiations in this matter," said the journal, "have been in progress between the S.M.C. and the City Government ever since the outbreak of the Manchurian incident. The local Japanese community, many of whose members reside in the Western and Northern extension areas, has continuously sought to bring about an amicable settlement of the problem, in the desire to create an ideal residential zone.

"On the other hand," the journal asserted, "the Chinese authorities have been engaged in idle talks on the theory of sovereignty, ignoring the actual state of affairs, and the S.M.C. has been hoping for a favorable turn in the situation, paying no attention to the needs of the residents. What is needed is a compromise agreement, which would consider the interests of the Japanese residents, as well as of the S.M.C. and the City Government."

The journal suggested that such a compromise would have been arranged, if not for the aggravated state of Sino-Japanese relations and the departure of the Japanese officials directly concerned with the matter. The *Mainichi* concluded its editorial with a query: "Why did the Municipal Council, aware of the possibility of a compromise agreement among the Japanese reisdents, the City Government and the S.M.C., make such a concession to the Chinese authorities?"

On instructions from Tokyo, Acting Consul General Yosioka lodged a protest against the agreement, and the two Japanese members raised serious objections at a meeting of the Municipal Council April 21.

Why Ratepayers' Meeting Was Poorly Attended

Discussing the annual meeting of ratepayers in Shanghai on April 14, *Central News* commented that the absence of non-official resolutions on the agenda accounted for one of the poorest attended meetings ever held. Out of a total number of 3,400 voters, only 249 attended, representing no more than 332 votes.

The important amendment to resolution VII, which called for a delay of six months in the increase of land tax, and general municipal rate and special rate until January next year, was carried by a large majority.

Before the amendment was put to vote, W.S. King, proposer, took the rostrum and made a brief explanation. He called attention to the great concern of the Chinese community at the proposed increase and the reasons for their objection, and stressed the importance of securing co-operation in all important matters between the Chinese and foreign communities. Despite the financial difficulties of the S.M.C., he believed in taking a long view, adding that there were sound reasons for postponing the increase until next year.

In criticizing the educational report of the subcommittee, J. S. Barr, declared that education for the Chinese in the Settlement has been neglected and under-emphasized. He appealed to the Council for closer cooperation with the three municipalities of Shanghai in providing better educational facilities without any special preference to any national group.

Ranald McDonald, a member of the British Bar, injected considerable humor into the meeting in a short statement referring to the "squandermania" of the last eight or nine years since the Council received $81,000,000 from the "American Company which took over the power plant in Shanghai."

Shanghai "Mainichi" Says Local Britons Live Off the Council

Ratepayers of the Shanghai International Settlement were taken to task by the *Shanghai Nippo* April 14 for their lack of interest in the conduct of municipal affairs as evidenced by the small attendance at the annual meeting. Commenting on the same subject, the *Shanghai Mainichi* expressed the hope that the Shanghai Municipal Council would conduct an administration for the benefit of the various national groups instead of promoting British interests alone.

"To state that most of the local Britons live off the Council would be no exaggeration," the *Mainichi* declared. "There is abundant evidence of how the British are conniving to utilize the Council to promote their own ends. We believe that it is time for the S.M.C. to realize how all the regulations under which it governs are designed to create a society with the Britons on top and to reflect accordingly on its future conduct."

As evidence, the Japanese daily cited the British policemen "who devour a vast budget with their salaries and who devote their activities to the protection of British interests and to the promotion of British enterprises."

The paper went on to score the comparison made by the chairman of the Council between the municipal rates in Shanghai and in a city of the same size in England.

"Mathematical comparison is possible, but so long as an administration really adapted to the special conditions prevailing in the Settlement is enforced, we cannot but feel that the S.M.C. remains, what it has always been, an agency for the promotion of British interests," the *Mainichi* said.

Japanese Paper Says C. R. A. Chairman Sounded Virtual "Call to Arms" Against S.M.C.

The *Shanghai Mainichi* April 14 described the address made by Wang Hsiao-lai, chairman of the Chinese Ratepayers' Association, as "a virtual call to arms in a war against the traditions of the Shanghai Municipal Council." The *Mainichi* forecast a violent struggle between the Chinese and the British for the control of the International Settlement. "All the resolutions adopted at the meeting," the Japanese daily said, "foretold many future attacks on the present Settlement organization. A decisive conflict between China and Britain, we feel, will be inevitable over the projected reform of the administration."

Five Chinese Members of S.M.C. Re-Elected

The Shanghai Municipal Council was notified by the Chinese Ratepayers' Association last week of the re-election at a meeting of representatives of Chinese ratepayers of Messrs. Yu Ya-ching, Eugene Y. B. Kiang, Yulin Hsi, Singloh Hsu, and W. Gockson as Chinese members of the Shanghai Municipal Council for the year 1937-1938.

C. S. Franklin Is Fifth American Chairman of Shanghai Municipal Council

Charles M. Bain wrote to the *Shanghai Times* April 17 pointing out that C. S. Franklin, the new Chairman of the Shanghai Municipal Council is the fifth American to hold that post. The first was a Mr. Purden—some fifty years ago; and later about 1912 there was Harry de Gray, who was Manager of the China and Japan Trading Company. Another American Chairman of the Council was Dr. James Fearon, and some years later he was followed by Stirling Fessenden, who is now Secretary-General. Mr. Bain added that Mr. Franklin's national predecessors in the chair were all good men, and he joined heartily in the opinion expressed by the editor of the *Times* that with Mr. Franklin as Chairman the community promises to be well served by the Council which has just taken office.

New Chinese Song Book "On National Crisis" Arouses Ire of Japanese

The *Shanghai Nippo* April 15 stated that considerable ire has been aroused among local Japanese authorities and residents by a new Chinese song book, entitled "On National Crisis," written by Tung Chen-hua and published by the Chinese Literature Association, in which something appeared allegedly defaming the dignity of the Japanese Imperial authorities. This Association, the *Nippo* said, is known to be organized by Hung Shen (Professor of Fuh Tan University) and Fu Tung-hwa, the noted leaders of the Socialist Democratic Party, who have attempted to expand the influence of this Party and enforce an effective propaganda with regard to anti-Japanese resistance for National Salvation.

The *Nippo*, among other things, said:—"During the recent prevalence of a good atmosphere pervading Sino-Japanese relations, both authorities should do their utmost to sustain such a friendly situation. But, on the contrary, the actions and comments, which arouse the ill feeling of Japanese nationals with their impolite manner, are, as yet, prevailing in China, which is, indeed, a matter of deepest regret. Recently, the pamphlet 'On the National Crisis,' published by the Chinese Literarture Association, again defies the dignity of our Imperial authorities.

"Two years ago, an incident of similar nature, (The *New Life Weekly*) occurred in Shanghai. As a result of a strong protest filed by our authorities with the Chinese Government, the culprit was sentenced to one year's imprisonment and the officials in charge of censorship were entirely dismissed. From this incident, it should be given to understand that the writings are closely connected with the responsibility for their effect on international relations."

Chinese Literature Association Denies Responsibility

A spokesman of the Chinese Literature Association later declared that no pamphlet of the kind as alleged by the Japanese newspapers has been published by the Association and that the author of the pamphlet, Tung Chen-hua, as mentioned by the Japanese papers, is not a member of the Association.

Reconstruction of Fukien

BY CHEN FU SHENG (陳福生)

WHAT with maladministration, what with lack of a definite plan for economic development, Fukien has been a poverty-stricken, ill-governed province. This year the provincial government devotes its major attention to reconstruction of Fukien. Though it is too early to review and examine the government's achievements, the government, it seems, is putting into execution its reconstructive plan.

Means of Communication Made Easy

Two railways, one connecting North Fukien with Kiangsi and Chekiang and the other connecting South Fukien with Kwangtung are projected. A railway will, in a very short time, be built from Nanping (North Fukien) to Kweichi (Kiangsi) where it joins the Chekiang-Kiangsi Railway. The surveying and building of this railway will be supervised by the Ministry of Railways.

As for the highways, one-third of the Nanking-Fukien Line (351.3 kilometers) is completed, one-third of the Fukien-Kiangsi Line (411.2 kilometers) is also completed, the Fukien-Kwangtung Line (507.5 kilometers) and the Fukien-Chekiang Line (313.6 kilometers) are all completed. The eighteen motor-roads connecting various parts of Fukien are either in process of construction or already completed.

The facilitation of means of communication will contribute greatly to the material development of Fukien. Fukien abounds in natural resources. Productive enterprises do not thrive owing to handicapped communication.

Rural Prosperity Program

Great emphasis is laid on rural reforms. Steps are taken to improve agricultural arts and to ameliorate the living conditions of peasants. Use of fertilizers is encouraged.

Upon the request of the government, Dr. Chao Lien-fang, Director of Agricultural Department of National Economic Council, comes to Fukien, making a detailed study of agricultural conditions. He is expected to propose some agricultural improvements. In an interview with Amoy newspapermen, he said: "The soil in South Fukien is very fertile. If improved methods of farming are used, the soil will yield annually three crops instead of two."

Perhaps what helps the peasants most is the cooperative societies. Through the offices of the Farmers' Bank and the cooperative Affairs Section of Bureau of Reconstruction, the peasants have their conditions greatly improved. Hitherto the peasants have toiled day in and day out, not for themselves but for a few creditors who lend money at such exorbitant interest as is unknown elsewhere. That the rural community last year showed signs of prosperity is attributable to the laudable efforts of the cooperative societies. Dr. Francis Chen, Head of Cooperative Affairs Section of Reconstruction Bureau, is devoting his time and energy to rural rehabilitation, rural recovery, rural improvement. Credit is due to him for future prosperity of rural districts.

Financial Reforms

Probably nothing so stands in need of improvement as finance. Nepotism, corruption, bribery, etc., have been the order of the day. Surplus taxes have been greater than regular taxes. Provincial government orders for collection of certain taxes have not been effectively carried out in some districts, especially those districts distant from the capital. Worse still, the impoverished masses have under great difficulty paid their taxes but the revenue has enriched the pockets of a few taxcollectors, not the provincial treasury. To discuss necessary remedial reforms and to devise measures for their enforcement, financial authorities convened on April 6 a financial conference participated in by representatives of various districts and financial experts. All remedial measures, it is hoped, will be executed promptly and precisely.

Promotion of Health

Much attention is being paid to promotion of the health of the people. In Foochow a health office is established for sanitation, for preventing epidemic, for giving valuable assistance to local doctors. A provincial hospital is to be established, largely financed by Aw Boon Haw, an oversea Chinese millionaire, and partly by the government.

Plans are under way to establish health offices in other places. This is a great necessity, particularly in interior districts. In certain unsanitary districts of South Fukien, this time of the year, many people fall victims to bubonic plague.

Municipal Improvements

Steps are being taken to beautify and modernize important cities and towns. In Foochow, the waterworks is to be established, its erection being supervised by the Mitsubishi Company and expected to be completed in twenty-one months.

Foochow, April 13, 1937.

Mrs. Wally Simpson's Divorce to Be Made Final May 3

Mrs. Wally Simpson was informed by telephone in Paris April 16 from London that she would be free legally to marry the Duke of Windsor after May 3. She was told that her divorce would be made final on that date, barring unforeseen developments.

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TO THE HOLDERS
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Forms of the letter of agreement and copies of the general form of a new series of Chinse dollar debentures which it is contemplated may at some appropriate future date be issued in exchange for the present debentures so endorsed have been mailed to all registered debenture-holders. Holders of coupon debentures may obtain copies from the Company's head office, 181 Nanking Road, Shanghai, (Room 200), or from the Accountant's Office of the Hongkong and Shanghai Banking Corporation, 12 The Bund, Shanghai.

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More Details of Massacre of Japanese Soldiers in Sansing

Correspondence from Harbin dated March 27 which appeared in the *Shanghai Evening Post* stated that now that the actual facts regarding the attack made by anti-Japanese elements on the Sungari-River town of Sansing have been ascertained from eye-witnesses, they are very different indeed to the version which was given out locally.

From the information now gleaned it seems that it was owing to the Japanese legalization of opium dens that those who made the attack on the town were able to enter it without being suspected. It seems that there are some 25 opium smoking dens in Sansing, and that the peasants and villagers of the surrounding districts were welcomed there, thus the Chinese who are fighting against the present government found these dens most convenient meeting places for their plans.

Right opposite one of the chief opium dens was a geisha house, which was one of the first attacked, and there 16 Japanese officers were put to death as well as the geishas with whom they were spending the evening. While one detachment of the attacking party made their way to the barracks and entered by the back doors, another party occupied themselves attacking Japanese in the streets and entering Japanese houses, killing any Japanese that they came across, looting the buildings and then setting fire to them. During the street fighting 42 Japanese officers and men were killed and 31 leading Japanese residents were captured for ransom money.

Chinese residents of the town stated that not one of the Chinese houses was touched and that the "outlaws," confined themselves entirely to destroying Japanese property.

Some Details of the Plot to Overthrow the Puppet State of Manchukuo

Very little of what is actually going on in the puppet State of Manchukuo is known to outsiders. The fact that 310 Chinese were arrested by the Japanese in Manchuria lately indicates the growing discontent against the oppression.

The arrest of "more than 310" high Governn ent officials, educators, leading businessmen and students, accused of plotting to overthrow the existing administration, was revealed on Mar. 29 in a communique issued by the headquarters of the Kwantung Army Gendarmerie. Of the arrested men, the communique said, 195 were tried by a court martial in Mukden, 54 others were released because of insufficient evidence, and nine men died in prison "being opium smokers." The fate of the remaining men was not divulged. The issuance of the communique was accompanied by the lifting of a strict ban on the news of the arrests, most of which were made in Antung Province, adjoining the Korean border.

Germany to Open Trade Office in Hsinking

Dr. Karl Knoll, the first German commercial representative in Manchukuo, arrived in Hsinking early this week from Berlin, accompanied by three assistants. Dr. Knoll was instrumental in concluding a barter agreement between Germany and Manchukuo, having assisted Dr. Otto C. Kiep, head of the German Economic Mission to the Far East in the negotiations.

Manchukuo to Exhibit at Koenigsberg Fair

Manchurian bean cake, bean oil, peanut oil and kaoliang products will for the second year be exhibited at the annual Koenigsberg (Germany) Fair next August, the Central Society of Staple Producers announced in Dairen April 19.

Operations of Hulutao Customs House to Be Expanded Owing to Expected Rush of Business

Preparatory to the expected rush of imports through the port of Hulutao, opening for shipping on May 1, the Manchukuo Government April 16 ordered the expansion of the operations of the Customs House in the new port. Hulutao is expected to become the chief importing center for Chinchow and Jehol Provinces, and the main exporting center for Fuhsin coal. It is expected here that the new port will handle 200,000 tons of coal in the first year of operation.

Many Thousands of Chinese Workers Proceed to Manchuria

Thousands of Chinese workers from South Hopei, Honan and Shantung are reported to have gone to Yinkow during the past few weeks by boat to work in Manchuria. Japanese reports declare that the Manchurian authorities will allow 380,000 workers to enter Manchukuo this year.

Kwantung Army Officer Returns to Hsinking

Major-Gen. Hitoshi Imamura, assistant chief of staff of the Kwantung Army, returned to Hsinking last week from Tokyo, where he attended the annual conference of divisional commanders.

Manchukuo Premier Proceeds to Korea to Confer with General Minami

Premier Gen. Chang Ching-hui proceeded this week from Hsinking to Seoul, where he conferred with Gen. Jiro Minami, Governor-General of Korea, on economic co-operation between Manchukuo and Chosen. Gen. Chang is also scheduled to meet Lieut.-Gen. Kuniaki Koiso, Commander of the Korean Garrison, and Ryokuichiro Ohno, Chief Civil Administrator of the Government-General.

Prince Yung Reported Very Sick

Prince Yung, former chairman of the Inner Mongolian Local Autonomous Political Affairs Council at Pailienmiao, is reported to be very sick. According to the report, Prince Yung is unable to speak and his condition is considered very serious.

Victim of Japanese Mistreatment at Fushan Goes on Hunger Strike

As a protest against the maltreatment accorded the Chinese citizens in Manchuria by the Japanese militarists, a Chinese inhabitant in Fushan by the name of Lo Ai-min declared a hunger strike April 13, according to reports received in Nanking. The man was later arrested by Manchukuo police. A written statement was found in which the Chinese nation was urged not forget their countrymen in Manchuria.

Joint Japan-Korea-Manchukuo Development to Be Studied by New Body

Creation of a National Planning Board,—a "brain trust" which will plan Japan's industrial development—was decided by the Tokyo Cabinet April 19. *Domei* states that the first task of the body will be to draft a Five-Year Plan of industrial development of Japan, Korea, Formosa and Manchukuo. The new State, in collaboration with the Kwantung Army and the South Manchuria Railway Company, has already drafted a five-year plan for the development of its agriculture, industry and mineral resources. A similar plan is being drafted by the Korean Government-General. The "brain trust" will draft a similar plan for Japan proper and Formosa, co-ordinating it with the Korean and Manchurian schemes. In drafting the plan, the new Board will reportedly lay emphasis on the strengthening of the economic ties binding Japan with Manchukuo and on the development of natural resources required for national defense.

While the new Board will be charged with the task of co-ordinating national policies, a Central Economic Council will seek to harmonize the economic relations between Japan proper, her outlying possessions and Manchukuo.

Toyotaro Yuki, Minister of Finance, was regarded as a strong candidate for the post of president of the Planning Board.

Daughter of Shanghai Architect Fined in Korea for Taking Pictures—Camera Seized

Miss Catherine Elizabeth Graham, 20-year-old daughter of John Graham, American architect of Shanghai, was fined Yen 30 in Fusan, Korea, April 13 for violation of the Fortified Zone Law. Her camera was confiscated. Miss Graham had photographed various places. This is prohibited as Fusan is within the Chosen Straits Fortified Area. She was formally charged with violating the Fortified Zone Law and handed over to the Fusan District Court Procurators' Office. In summary proceedings, she was fined Yen 30 and her camera confiscated.

According to press reports from Fusan, the film taken by the gendarmerie from Miss Graham showed pictures of hills around the Korean port and scenes of the harbor itself. These were reportedly described by a gendarmerie officer as being of "strategic value."

Miss Graham protested against the sentence and demanded a formal trial. This was held April 13 and resulted in the confirmation of the earlier sentence. After paying her fine, Miss Graham was released and departed for Yokohama.

Woman School Teacher Fined for Taking Pictures in Formosa

Miss Helen Cooper a 50-year-old school teacher, (whose nationality was not revealed) was fined Yen 20 at Taihoku, Formosa, April 15 for violating the Fortified Zone Law. Her camera was confiscated. Miss Cooper was detained on Wednesday for taking pictures of Keelung harbor from the s.s. *Hongkong Maru* on which she arrived from Amoy. She was brought to the gendarmerie headquarters and turned over to the District Court under a formal charge of having infringed upon the law. Keelung is in a fortified area.

Last Korean Revolutionary Army Surrenders to Japan

After fighting against Japan for 28 years the remnants of the Korean Revolutionary Army on April 7 surrendered themselves to the punitive forces, the *Kokutsu News Agency* reported from Antung April 15. Included in the group of 72 men who gave up the struggle were: Bun Bu-kyo, alias Kin Kwatsu-seki, Commander-in-Chief of the "Army," and Sai So-rin, a "divisional commander." Fifteen leading members of the Army surrendered themselves some time ago, unable to break through the ever-narrowing ring formed by the punitive force, operating from Manchukuo and Korea, the news agency said. The Army had its base of operations in the North Heian district and Tungpientao, on the Manchukuo-Korean border.

Through China-U. S. Airmail Service Begins Next Week

The American Chamber of Commerce and the Chinese-American Trade Council of Shanghai will hold a "First Flight Luncheon" commemorating the first through air-mail flight between China and the United States in the Assembly Room of the American Club on Monday, April 26, at 12.15 p.m., at which George F. Schecklen will preside.

At the luncheon, a ten-minute talk outlining the new service (times, distances, charges, etc.) will be made by W. L. Bond, Vice-President and Director of the China National Aviation Corporation. "First Flight" covers will be on sale during the luncheon period, and arrangements are being completed so that the actual posting can be done at the club. Air-mail stamps of the proper denominations will be on sale.

Models of the "Clippers" and the C.N.A.C. Sikorskys, both of which are being used in the service, are to be displayed along with several beautiful photographs of the ships in flight. The assembly room will be additionally decorated with a Sino-American theme. A number of guests of honor are being invited, and reservations are being accepted for members of the American Chamber and the Chinese-American Trade Council and their guests.

A regular weekly service in both directions between Shanghai and the United States will be maintained by the cooperation of the C.N.A.C. with the Pan-American Airways.

The *China Clipper*, a Martin flying boat, is due from San Francisco in Manila April 27. The connecting plane, the Sikorsky *Oriental Clipper*, will leave Manila the following day for Hongkong, where connection will be made with the C. N. A. C. amphibian Sikorsky S34, due in Shanghai April 30.

In the opposite direction, on April 27 the C.N.A.C. amphibian carrying mail and cargo, will take off for Hongkong. On April 29, the *Hongkong Clipper* will fly to Manila where the mail and cargo will be loaded in the *China Clipper* which is to arrive in San Francisco on May 4.

Persons desiring to post air mails to connect at Hongkong for the maiden flight must post their mails in Shanghai at the latest on April 26, before eleven o'clock in the evening. Covers are to be marked "via C.N.A.C.-Hongkong and by U.S. Air Service" below the usual blue label "Par Avion."

Registered air mail from Shanghai weighing five grams (ordinary mail minimum is 20 grams) for the eastern part of the United States is charged $1.70, the fee consisting of the ordinary letter rate ($0.25), plus registration fee ($0.25), plus air mail fee $1.20.

Shanghailanders making the first trans-Pacific flight from Shanghai to the United States will leave this city on May 4.

Savings of four to five days in the time required for the transmission of letters from Japan to the West Coast of the United States will be possible with the inauguration of the Pan-American airmail postal service, Japanese dispatches this week pointed out. Such mail would be sent *via* Shanghai.

Japanese Navy Minister Opposes Establishment of Air Ministry

Although the new political planks of the Hayashi Cabinet with which the Hayashi Cabinet intended to acquaint the people with its raison d'etre had been scheduled to be decided, a disagreement of views between the War, Navy and Communications Ministers concerning creation of an air ministry caused a postponement of the Cabinet meeting in Tokyo April 9. Both General Hajime Sugiyama, War Minister, and Count Hideo Kodama, Communications Minister, insist that the air ministry be created as an independent ministry to promote and develop the general aviation in Japan and control and assist civil aviation and at the same time effect an organic control of the air force of the Army and Navy to increase the fighting efficiency of the air force of the country. The Navy, however, is absolutely opposed to the idea of unifying the air force of the Army and Navy.

First Japanese Aeronautical Engineering Course Created

Preparations for the opening of the first undergraduate aeronautical engineering course in Japan have begun at the Yokohama Higher Technical College, the Ministry of Education announced in Tokyo, April 15.

Another Japanese Plane Lands in Tsingtao Without Authority

Ignoring repeated Chinese protests against unauthorized flights of Japanese planes over Tsingtao, a Japanese military machine landed there April 17 from Tientsin with one passenger aboard.

Canton Gift Planes to Be Christened May 15

The gift planes purchased by the people of Kwangtung in honor of Gen. Chiang Kai-shek, will be christened on May 15. Gen. Chen Ching-yun, director of the Aviation Academy in Canton, will officiate at the ceremonies.

Szechuen to Have the Biggest Airdrome in China

The Central Government has decided to build the biggest airdrome of China in Chengtu, according to well-informed circles. It is further reported that concrete plans for the building of the airdrome will be discussed between Gen. Ho Kuo-kwang, director of the Provisional Headquarters of the Generalisimo in Chungking, and Gen. Liu Hsiang, chairman of the Szechwan Provincial Government.

In the United States Court for China

ALICE C. GALE, Plaintiff,
vs.
LLOYD ENNIS GALE, Defendant.

Cause No. 4190
Civil No. 2069
ORDER
Filed at Shanghai, China, April 15, 1937.
William T. Collins, Clerk.

The object of this suit is to secure a decree of divorce.

WHEREAS plaintiff herein, on the 15th day of April, 1937, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1937, the Summons for defendant was returned by the United States Marshal for China, "Not to be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1937, ALICE C. GALE, the plaintiff herein, filed an affidavit to the effect that the defedant, Lloyd Ennis Gale, does not reside within the jurisdiction of this Court and that he has not been a resident of this jurisdiction within the past six months.

NOW, THEREFORE, it is this 15th day of April, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 1st day of May, 1937, the last day of publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT.

MILTON J. HELMICK
JUDGE.

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General Liu Hsiang Asks Relief Loan of $15,000,000 for Drought Victims

An appeal for the issue of a famine relief loan of $15 millions for the succor of the drought victims in Szechuen, was made by General Liu Hsiang, Chairman of the Szechuen Provincial Government, in a telegram from Chengtu to General Chiang Kai-shek, April 18. In view of the grave situation in Szechuen, the $1 million in bonds recently appropriated by the Executive Yuan is insufficient for the relief of the famine victims, General Liu says. He recommends that the $15 million loan be redeemed in nine years, annual interest being fixed at 6 per cent with an annual sinking fund for $2,500,000. Serving as the sinking fund for the new loan Gen. Liu suggested the use of the $4,000,000 surplus in salt revenue or the some $3,000,000 surplus from the exchange of the Szechuen treasury notes for the 1936 Consolidated Bonds.

Ten Million Starving in Szechuen, Says Consul General Iwai

Ten million people in Scechuen are now without food, Eiichi Iwai, acting Consul-General in Chengtu, stated in Hankow April 15 on his arrival by air from the provincial capital. In the first three months of this year, he added, at least 5,000 people died of hunger in Chungking alone. Help, Mr. Iwai declared, is urgently needed, and he expressed a hope that Japan would answer the call for assistance with food and money.

A Szechuen Famine Relief Association, sponsored by Szechuen natives resident in Shanghai and Nanking, is being organized to take an active part in affording immediate relief to the large number of refugees in said province. Tai Chi-tao, President of the Examination Yuan, has been invited to serve as President of the organization. The drought situation in Szechuen, according to Jen Wang-nan, Manager of the Young Brothers Bank, who recently returned to Shanghai from Szechuen, is more serious than what newspaper reports had painted it.

A nation-wide campaign to raise funds for the relief of destitute children in Honan, Shensi, Szechuen and Kansu will be launched early next month, according to a decision reached at a meeting of the Executive Committee of the National Child Welfare Association held in Shanghai April 17. According to reports received here, about 10,000,000 people are starving in Szechuen, approximately 3,000,000 people in Honan, and hundreds of thousands in Kansu and Shensi.

General Chu-Ching-lang, Chairman of the National Famine Relief Commission, proceeded to Szechuen this week to investigate the drought situation there and to supervise the relief work now being carried on in the famine stricken province.

Five Thousand Rendered Homeless at Tsechikou, Chungking Suburb

The official investigation into the disastrous fire which destroyed Tsechikou, a suburb of Chungking, April 15, reveals that four persons were killed and 200 others injured, including 60 soldiers who took part in putting out the flames. Around 960 houses were completely razed to the ground, causing damages estimated at over $1,600,000. More than 5,000 men, women and children have been rendered homeless as a result of the conflagration.

C.I.F.R.C. to Push Labor Relief in Szechuen

The China International Famine Relief Commission will take charge of the labor relief work in Szechuen in cooperation with the various railways and highway administrations in that province, according to an agreement reached between Gen. Liu Hsiang, Chairman of the Szechuen Provincial Government and Dr. John Earl Baker, executive secretary of the commission.

A Famine Relief Conference was convened by the Szechuen Provincial Government at Chengtu, April 14. By invitation, Dr. J. E. Baker, Secretary-General of the China International Famine Relief Commission, also attended.

Low Yangtsze Level Hampers Shipments Between Shanghai and Szechuen

The continued drop of the river level in the Upper Yangtsze is not merely interrupting the normal shipping services from Shanghai to points in the west, but is seriously hampering business along the Yangtsze River Valley. Information gathered from Shanghai business houses reveals that 80 per cent of the export firms in Shanghai are not accepting any further orders for goods to be shipped to Szechuen.

Nanking Allots Funds for Kansu-Chinghai Famine Relief Work

A message from Sian April 14 stated that the Executive Yuan has appropriated $300,000 bonds and $100,000 cash for Kansu and $100,000 urgent relief funds for Chinghai.

Prayers of the Shensi farmers were answered April 13 when rain fell in abundance throughout the drought-stricken province. The rain was especially heavy in southern Shensi.

Three Thousand Infants in Kweiyang Die of Diphtheria and Typhoid Fever

At least 3,000 infants in Kweiyang, provincial capital of Kweichow, during recent months have succumbed to diphtheria, typhoid fever and other epidemics caused by the protracted drought, according to information received in Nanking this week.

Over 1,000 Deaths Due to Bubonic Plague in Fukien

The bubonic plague which is sweeping over several districts in the eastern coast of Fukien, including Fuching and Huian between Amoy and Foochow, has become increasingly serious, according to information from the National Health Administration. A conservative estimate places the number of victims at over 1,000 so far.

123,781 Inhabitants Die from Northwest Famine

The total number of refugees, who have already starved to death in the 54 districts in the Province of Kansu, is now estimated at 123,781, a Lanchow message dated April 12 stated.

$1,800,000 Credit Loan for Kwangsi Granary Agreed Upon

The Farm Credit Bureau will extend a credit loan to the amount of $1,800,000 in Kwangsi for the establishment of a network of granaries in the province, according to an agreement concluded between the bureau and Chao Ko-jen, representative of the Kwangsi Provincial Government, April 15.

Big Granaries to Be Built Along Railway Lines

The Central Farm Bureau has decided to build a number of large granaries along the Nanking-Shanghai, Peiping-Hankow, and Canton-Hankow railways. It is reported that these granaries will be built on the open spaces owned by the railway authorities near the rice-producing centers.

South China Rice Company Formally Organized With Capital of $10,000,000

The South China Rice Company, a new concern which will aims to improve the production, transportation and marketing of native rice in Central and South China, was formally organized on April 17 at the Bankers' Club in Shanghai.

Presiding over the inaugural meeting which was attended by more than 100 shareholders and guests, T. V. Soong, Chairman of the Board of Directors of the Bank of China, delivered the opening address, in which he dwelt upon the purposes of the organization. The South China Rice Trading Corporation will be scientifically managed with a view to giving both the consumers and producers a fair deal, declared Mr. Soong. As the scope of business of the corporation will be limited to South China, Mr. Soong expressed the hope that it may set a precedent in the promotion of the rice trade in China which all Chinese rice merchants will follow, so that the goal of self-sufficiency in rice supply in China may finally be achieved.

A Board of Directors consisting of 23 members was elected, including T. V. Soong, Sun Fo, Wu Te-chen, Sung Ham Chang, Tang Shou-min, Wang Chih-hsin, T. L. Soong and others: while nine others were elected its Board of Supervisors, including Messrs. Chien Tung-pu, Teng Mien-jen, Chang Pei-shun, Chang Yung-pu, Huang Po-chiao and others. Chairmen of the two boards will be elected on April 19. Capitalized at $10,000,000, the new organ aims to improve the production, transportation and marketing of native rice in Central and South China.

In connection with the rice shortage in Kwangtung, General Wu Te-chen, Chairman of the Kwangtung Provincial Government, has telegraphed to the Ministries of Finance and Industry, reporting that he has ordered enforcement of the measures formulated by the Central authorities concerning exemption of foreign rice for Kwangtung from payment of the Customs Import Duty.

Agitation Against Exemption of Tax on Foreign Rice in Canton Continues

The agitation started by rice dealers and foodstuff merchants in six provinces and municipalities along the Yangtsze Valley against the exemption of import duty on foreign rice into Kwangtung province is continuing unabated. Ku Chin-yi and Chen Tse-i, representing the foodstuff merchants, and Loh Ching-hua, a member of the Chinese Chamber of Commerce in Shanghai, April 13 called on Cheng Tien-ku, vice-Minister of Industry, to explain the difficulties which the dealers in Central China were facing as a result of the import duty issue in the south.

The Shensi Provincial Government has raised a fund of $200,000 for the purchase of rice, which will be sold below cost to the famine victims in northern Shensi. Detailed measures for the distribution of relief are being devised by the Provincial Departments of Finance and Civil Affairs.

China's grave food supply problem is not caused by the influx of foreign rice, and the common conception that the domestic rice market has been adversely affected by the dumping of imported rice is a fallacy, asserted the *New Capital Daily* (Nanking) in an editorial April 16.

New University Planned by Central Government in Shensi

The Central Government is planning to shortly establish a university in Shensi as one of the major projects in the educational program for the northwest provinces. Preparations for the new institution are now being made by Hsin-Shu-tse, head of the Northwest Agricultural School and Chou Po-min, educational commissioner for Shensi.

American Professor Gives Series of Lectures in Canton

Dr. John K. Norton, Professor of Teachers' College, Columbia University, since 1931, who is on a round the world tour, gave a series of leatures in Canton this week. Professor Norton was a member of the American Olympic Team in 1920 and holder of the World's 440 yard hurdles record from 1920 to 1927. He is the author of "Ability of States to Support Education."

Liu Chieh Refuses to Accept Chancellorship of Northeastern University

Hopes that the resignation of Chow Chin-wen from the post of executive secretary of the North-Eastern University in Peiping would pave the way for Liu Cheh to accept the chancellorship, were dashed by a telegram from Mr. Liu April 14, that in no circumstances would he accept the position. Mr. Liu, a member of the Hopei-Chahar Political Council and a prominent North-Eastern resident in Peiping, departed for Tsingtao early this month to avoid the importunities of both the students and the teachers of the University, who have been trying to induce him to become Chancellor of the University.

Chow Ping-lin, Dean of the College of Law of the National University of Peking, who was recently appointed Vice-Minister of Education in the National Government, will leave for Nanking as soon as he has wound up his work at the University.

The 19th anniversary of the founding of the National College of Fine Arts was celebrated in Peiping, April 15. Chao Tai-pan, the President of the College, was absent in Nanking in connection with the Second National Art Exhibition. Cheng Ying-sun, Dean of the College, presided over the celebration.

Dr. Sen Nagai, until last year the Dean of the Medical Department of the Tokyo Imperial University, departed from Tokyo this week enroute to Peiping, where he will lecture at the National University of Peiping. The aged scholar will deliver three series of lectures on human physiology, the first between April and July; the second, between January next and March; and the last, between September and December, 1938.

First Examination Held for Scholarships Under French Boxer Funds

The first annual examination for the selection of students to study in France on scholarships offered by the Sino-French Commission for the Administration of the Funds remitted from the French portion of the Boxer Indemnity was held in Peiping April 18-21.

Ministry of Education Allots $75,000 to Hopei Medical College

The Ministry of Education has allotted $75,000 of the Boxer Indemnity Fund to the Hopei Provincial Medical College for the expansion of its hospital.

Sino-Indian Cultural Association Inaugurated

The China Institute of the International University in India was formally inaugurated Apr. 14 under the auspices of the Sino-Indian Cultural Association, according to a cable received at the Ministry of Education in Nanking.

National Society for Study of Education to Meet in July

The next annual convention of the National Society for the Study of Education will be held at the Normal University, Peiping, from July 4 to 7, it was decided at the fifth meeting of the board of executives of the society held in Nanking, April 13.

Publishers of Two Newspapers in Kiangsi Arrested

Hsiung Wen-chiao, publisher of the *Shan Pao*, and Chung Fu-hou, Vice-President of the *Kien Pao*, were arrested by the Bureau of Public Safety at Nanchang April 14 on the ground that these two newspapers had published the full text of the manifesto issued by the people against negligence of duties by Chen Shih-kwei, Head of the Education Council of the Provincial Government of Kiangsi.

Visits of Chinese Reporters to Japan Scored by Press Association

The dispatch of a number of Chinese reporters in North China to Japan was scathingly attacked in a manifesto issued by the Shanghai Press Reporters' Association in Shanghai April 15. The manifesto among other things, said, "It is indeed very much to be regretted that the North China reporters should have been bribed and taken such action, which, we consider, will not only inflict heavy losses on the dignity of the Chinese press but will also be a direct insult to the Chinese nation."

PAINTS AND PAINT WORK

H. B. CAMPBELL

1481 Bubbling Well Road

Phone : 34360

In the United States Court for China

ARTHUR PETERSON, Plaintiff, vs. EDITH ETHEL PETERSON, Defendant.	Cause No. 4187 Civil No. 2066 ORDER Filed at Shanghai, China, April 12, 1937. William T. Collins, Clerk. L. T. Kenake, Asst. Clerk.

ORDER.

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by his attorneys, has this 10th day of April, 1937, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 10th day of April, 1937, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 10th day of April, 1937, Arthur Peterson, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has she been within the jurisdiction of this Court during the last year previous to the 10th day of April, 1937;

NOW THEREFORE it is this 12th day of April, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 1st day of May, 1937, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

MILTON J. HELMICK,
Judge.

Chinese Government Tightens Control Over Wood Oil

With a view to promoting the export of tung oil to foreign countries, a Foreign Trade Company will be organized by the Ministry of Industry to monopolize the sale of this product abroad, according to the local *China Times*. To be capitalized at $10,000,000, the projected firm will be managed on a semi-government basis, and foreign merchants will be asked to invest in it, although the total of their shares should not exceed $4,000,000.

With its head office in Shanghai, the new company will have branches in England, America and other countries to take direct charge of the sale of tung oil there. The export of tung oil, ranking first place in China's export list in 1936, was valued at about $200 million. America, Germany, England, and Italy are the chief buyers of this product which, it is reported, is used, among other things, for manufacturing war materials.

Three Million Dollar Native Goods Loan Syndicate to Be Established

A $3 million native goods loan syndicate will shortly be established in connection with the newly inaugurated China Native Goods Joint Sales Corporation, according to Wang Hsing-yao, assistant manager of the Corporation.

Kwangsi, whose progress in highway development surpasses any other province in the country, now boasts of a highway network of 4530 kilometers, it is learnt at the Provincial Department of Reconstruction at Kweilin .

$1,000,000 Modern Porcelain Factory to Be Opened in Kiukiang

Ambitious plans for the development along modern lines of China's porcelain industry in general and Chingtehchen's trade in particular have been mapped out, Tu Chung-yuan, director of the Kiangsi Porcelain Industry Administration, informed the *Central News* correspondent attached to the Nanking-Kunming Motor Caravan in a recent interview. For the expansion of China's porcelain industry preparations are being completed under his direction for the establishment of a $1,000,000 up-to-date chinaware factory in Kiukiang, Mr. Tu said. Kiukiang, Mr. Tu explained, has been chosen as the site of the new plant because it is the center of both land and water communications. Capital for the projected Kang Ta Porcelain Factory will be raised in Peiping, Tientsin, Shanghai and Hankow.

$3,500,000 to Be Advanced by Shanghai Banks to Develop Sugar Plantation in Kwangtung

According to Chu Yu-chien of the Shanghai Commercial and Savings Bank, $3,500,000 will be advanced jointly by the Shanghai Commercial and Savings Bank, the Kwangtung Provincial Bank and the Central Farm Bureau to the Kwangtung farmers for the plantation of sugar canes this year. In the past year, the Shanghai Commercial and Savings Bank advanced $1,000,000.

The Kwangtung Administrative Office for Provincial Industries has decided to extend small credit loans to sugar-cane farmers in order to facilitate development of the sugar industry.

Kwangtung Provincial Bank to Advance $10,000,000 to Silk Merchants

For the development of silk industry in the province, the Kwangtung Provincial Government has decided to advance $10,000,000 to the silk merchants. It is expected that more than 20,000 *tan* of silk will be produced in the province this year.

Huangshan, Mountain Resort in Anhwei, to Be Developed

In addition to an appropriation from the Central Government, the Anhwei Provincial Government has decided to allot a monthly sum of $1,500 towards the development of Huangshan, the mountain resort in south-eastern Anhwei.

Sung Shan, Sacred Mountain in Honan, to Be Reforested

By order of General Chiang Kai-shek, President of the Executive Yuan and the Military Affairs Commission, afforestation of Sung Shan (one of the five sacred mountains in China) in Tengfeng, central Honan, will be extended this year. Saplings will be supplied by the Loyang Agricultural Bureau for the planting of 100,000 trees.

Construction Work of Whampoa Harbor Proceeds Rapidly

Construction work on the Whampoa Harbor project is being rapidly pushed and according to present plans the branch railway linking the harbor with the Canton-Hankow Railway at Canton is expected to be completed by August. The new highway from the city to Whampoa is also scheduled to be ready by the end of June. The construction, of the harbor is now being entrusted to a Dutch company and, according to information from the officials in charge, the first wharf will be finished next spring. Meanwhile, godowns are being built by various private shipping companies.

Puhai Chemical Works Taken Over by Bank of China

Because of financial stringency, the Puhai Chemical Works in Tientsin has been taken over by the Bank of China, the only creditor of the company. Messrs. Kung Tze-an and Yen Tze-heng, noted chemists, have been appointed by the Bank of China to take over the management of the factory. The property of the factory is estimated at $620,000. It is reported that the factory will be turned over to the Hsin Hwa Bank for management in the near future.

C.M.S.N.C. to Operate Service Between Shanghai and Singapore

In an attempt to develop China's trade with the South Sea Islands and to facilitate the business of overseas Chinese, the China Merchants Steam Navigation Company has decided to operate a navigation line between Shanghai and Singapore.

Ministry of Communications to Build 3,000-Ton Ship for European Service

The Ministry of Communications is reported to have decided to build a 30,000-ton steamship to be decorated similar to the palaces in Peiping. This ship will ply between China, Japan, England, France, Italy, and Holland. The money to build the vessel is to be raised jointly by the Government and overseas Chinese, the *Ta Kung Pao* of April 18 stated.

Ministry of Railways Purchases $9,600,000 Worth of Railway Materials

In view of the demand for large sums of money to finance the building of numerous railway lines in the country, the Ministry of Railways has arranged with a Shanghai banking syndicate to borrow $9,600,000 for the purchase of railway materials. It is reported that this syndicate consists of the Central Trust, the Shanghai Commercial and Savings Bank, the Chekiang Industrial Bank, the Hsin Yeh Bank, and the China and South Seas Bank.

Construction of Hupeh and Kiangsi Railway Urged by Kiangsi and Hupeh

The Ministry of Railways has received a joint petition from the Kiangsi and Hupeh provincial governments asking for the construction of the Hupeh-Kiangsi Railway in order to expedite communications between the two provinces. The projected railway when completed, the petition points out, will reduce the travelling hours between Hankow and Nanchang to 12 hours. The journey by steamship now takes 24 hours.

The Kiangsi and Hupeh Provincial Governments in their petition mentioned that the distance is 120 kilometers, and that the railway will cost $13,000,000 to construct, according to the present estimates.

Executive Yuan Decides to Redeem Tsinan-Tsingtao Railway

Kuo Kwong-ting, managing-director of the Tsinan-Tsingtao Railway Administration, declared upon his arrival in Tsinan April 16 that the Executive Yuan has decided to redeem the Japanese bonds of the Railway. By the end of this year, the Executive Yuan decided that $10,000,000 will be alloted from the endowment fund of the railway for the redemption of the bonds.

Compensation to Be Given to Victims of Fire on Canton-Kowloon Railway Train

Measures for compensating the families of the victims of the fire which occurred on a train of the Canton-Kowloon Railway last January have been communicated by the Ministry of Railways to the Kwangtung Provincial Government for enforcement. According to these measures, $100 will be given the family of each passenger killed, and $30 to each passenger injured. As there were 103 casualties, the total compensation will be $9,040.

Many Domestic Industries Will Benefit from Government Subsidies—Rules Announced

Regulations governing the granting of guaranteed interest and subsidies to special domestic industries, as formulated by the Ministry of Industry, were promulgated by the National Government April 12. Consisting of 15 articles in total, Article 1 (the principal one) stipulates that the following seven home industries capitalized at more than $1 million may apply for guaranteed interest of grants-in-aid: Motor manufacturers, electro-motor manufacturers, machine manufacturers, metallurgic factories, liquefaction plants, transportation material manufacturers, and other important industries which deserve the benefit of guaranteed interest and subsidies.

The regulations provide that any factory which employs illegitimate means to secure the guaranteed interest or subsidies will be punished according to law, aside from being required to refund the original amount thus secured. The business and books of factories receiving governmental aid should be subject to the constant inspection and supervision of representatives of the Ministry of Industry. They are also required to submit a business report together with a profit and loss statement to the Ministry at the end of each business year. Furthermore, they are subject to the guidance of the Special Industries Guidance Commission in matters relating to management and technique. This Commission will be organized by experts engaged by the Ministry.

A Young Central Asian Princess Visits Tachienlu

The recent arrival at the town of Tachienlu of a youthful Central Asian pricess named Dehchen Wangmo has aroused great interest in Western China. Princess Wangmo, only 17 years old, is the daughter of a Kashgar prince, now deceased, and is the sister of a famous Tibetan lama priest known as the Kashgar Incarnation. Her brother is, therefore, one of the three most important rulers of Tibet. The others are the Muli Incarnation and the Dalai Lama.

Letters from missionaries residing in the Tachienlu area, which is on the border between China and Tibet and about 2,000 miles inland from Shanghai, expressed unbounded enthusiasm for the young princess. An article in the *North China Daily News*, by that paper's correspondent at Tachienlu, described her as "charming in manner, dressed in a beautiful Chinese silk garment; she had in a peculiar degree that characteristic Tibetan

North-China Daily News Photo

PRINCESS DEHCHEN WANGMO

abandon and childish simplicity which disarmed fear and suspicion wherever she went." The missionary's reference to "fear and suspicion" apparently was inspired by the fact that the princess was accompanied by an imposing bodyguard and was known as a "crack shot who could handle a rifle with any of her guards and ride any kind of wild horse, being particularly at home on the back of a Tibetan pony."

Since the resumption of more intimate relations between China and Tibet, due to British mediation, the territory from which Princess Wangmo hails has suddenly become important.

The father of the Princess, the late Prince of Kashgar, claimed to be a descendant of Genghis Khan. According to tradition Genghis Khan's seventeenth son was sent to rule over the Dzungarian territory, (at the capital of which, Kantsze, is a magnificent palace, the home of the princess), and his descendants still rule the district.

In the United States Court for China

In re.
THE MATTER
of
GEORGE C. WORTH,
Deceased.

Cause No. 4186
Special Proceedings No. 2065
NOTICE
Filed at Shanghai, China, April 9, 1937.
William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of GEORGE C. WORTH, deceased, to present the same with vouchers to the undersigned on or before October 17th, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

CHARLES W. WORTH,
HANGCHOW, CHINA.

Shanghai, China.

In the United States Court for China

In re.
IN THE MATTER OF THE ESTATE
of
HELEN CAMPBELL,
Deceased.

Cause No. 4189
Special Proceedings No. 2068
NOTICE
Filed at Shanghai, China April 14, 1937.
WILLIAM T. COLLINS, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Helen Campbell, deceased, to present the same with vouchers to the undersigned on or before October 18, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Byron J. Stansfield,
c/o China Import & Export Lumber Co., Ltd.
1426 Yangtzepoo, Shanghai China.

Shanghai, China.

General Li Tsung-jen and Kwangsi

BY HSING HWA LIU

AS a hero in the wars against the militarists of the old Chinese regime, a great contributor to the success of the revolution, and a man of extreme kindness, generosity, and courtesy, General Li Tsung-jen, the leader of the former Kwangsi clique and now the new commander-in-chief of the National Fifth Route Army, is one of the most popular figures among Chinese leaders.

General Li was born in Kweilin, Kwangsi, in 1892. As a strong, energetic, ambitious lad in his teens, General Li entered the military preparatory school in Kweilin, where he studied for three years. After the revolution of 1911 he took another two-year course in military science. In school he was always well liked by his teachers and schoolmates, and his fairness and generosity won him many faithful friends.

In 1915, when Yunnan and Kwangsi rebelled against Yuan Shih-kai, he entered the army as a lieutenant. In a brilliant action, he occupied the arsenal which was the objective of the day, emerging with a wound in the face.

From that day on his record as a soldier was spectacular. Being a follower of the late Dr. Sun Yat-Sen, he always fought for the revolutionary principle. In 1921 his troops numbered barely over a thousand, while his enemies, the anti-revolutionists, in the same province were more than thirty thousand strong. Undaunted by his critical situation, General Li worked on doggedly with his handful of men and finally made a clean sweep of his enemies. In 1924 he drove Lu Yung-ting, the notorious governor of Kwangsi, out of the province. In 1925 he won a decisive victory over the bandit hordes under Sheng Hung-ying in northern Kwangsi. Without resting from this campaign, he turned back to deal with the Yunnan invaders, who had attacked him in the rear, and punished them soundly. At the end of that year the whole province was unified under the revolutionary flag.

When the revolutionists marched northward in 1926, General Li was put in command of the Seventh Army. During the entire expedition he and his soldiers made an outstanding record.

After a period of devoted service to the revolution, the misunderstandings and jealousies common in political circles forced him to retire to Hongkong for a short time.

In 1929, when Kwangsi was again infested with Communists and bandits, General Li was faced afresh with the task ot bringing peace and order to the province. In a series of campaigns, which lasted nearly two years, against repeated reverses, he succeeded again in driving out the forces of disorder. Realizing his former mistake of supposing that military victory was enough in itself, he set about establishing a strong and progressive government in the province, so that the ground gained might not be lost again. Definite plans were drawn up by his subordinates, especially General Pai Chung-hsi, known as "the wisdom bag of Kwangsi." The slogan "Construct Kwangsi and Recover China's Prosperity" was brought out to express their ambition.

In order to achieve their aim they have adopted three definite policies to guide them in their task. These policies are: self-defense, self-support, and self-government. To put these policies into effect they have divided their constructive work into four classes: military, political, economic, and cultural. A detailed plan has been drawn up for each class.

Because of the unsettled international situation, the Kwangsi leaders put military development ahead of the other classes. In 1930 the Ming Tuang or People' Militia was introduced. Every resident of Kwangsi who is a Chinese citizen is required to undergo a period of strict military training. Three definite policies have been set in regard to this training. They are: Draw upon the militiamen for soldiers, upon the students for officers, and upon volunteers for active service. In Chinese they are called San Yu Cheng Chek (三寓政策). To-day we find Kwangsi the most militarized province in China.

In 1934, when the Communists passed Kwangsi on their way to Szechuen, they suffered heavy losses at the hands of Ming Tuang soldiers. More than seven thousand Communists were captured, and nearly four thousand killed. Last year when the Liang Kwang problem was still at its crisis, more than 300,000 Ming Tuang soldiers were mobilized.

At present, however, the system of Ming Tuang in Kwangsi is much more than merely military in nature. It also includes economic, political, and educational activities. The whole province is divided into eight districts, each of which comprises from eight to seventeen counties. Each county is divided into sections, and each section into villages. There are now 24,000 villages, 2,400 sections, and 99 counties in Kwangsi. The province is so divided not merely for the purpose of military training, but also for carrying out the governmental and educational work.

On October 25, 1934, a Six-Year-Plan was drafted by the Department of Education of the Kwangsi Provincial Government. According to this plan, by the end of the sixth year a citizen foundation school, as it is called, should have been established in each village, a primary school in each section, a middle school in each county, a vocational college in each district, and a university of high standing for the whole province. The main aim is to wipe out illiteracy entirely by that time.

In March 1935 a bureaucratic form of government was adopted. They call it the "Three in One" system. Under this system, governmental, military, and educational powers are centralized in one administrative body.

As the success of such a project depends upon the cooperation of qualified officials in the lower as well as the higher posts, a Ming Tuang Official Training School has been established in each district to train men for the position of village chief. The period of residence varies from three to eighteen months, depending on the previous education and experience of the candidate. High school students and graduates, and others with equivalent qualifications, may be admitted to these schools.

Kwangsi to-day has the cleanest and most progressive government of any province in China. General Li has made an important contribution to the achievement of national unity in China. Endowed with all the qualities of a leader of men, open-minded, generous, kind, and brave, with good judgment and rugged health, and unfailing devotion to his purpose, General Li is admired and loved by thousands of people who have had the good furtune to know him. He has played his part in building the foundation of the new China, and he will continue, in his new position, his important contribution to the development of the country.

145 Davenport Road, Tientsin, April 17, 1937.

Shanghai Tramway System Paralyzed by Strike of Operators

The tramway system of the International Settlement was paralyzed this week by a strike of the operating staff, the third within a year. The travelling public as a result has made more liberal use of the many thousands of ricshas on the streets and also of the facilities of the Shanghai bus company, which, in sharp contrast to the fat dividends paid by the tramway system for many years, has not paid any dividend for quite a long time. The management of the tramway company claims that the employees have broken an agreement made at the time of the previous strike several months ago.

Union Labor Leader Kidnapped at Nantao

Chow Yung-ching, an active labor union worker, and the chief delegate of strikers of silk weaving factories in Nantao, was reported missing April 17. The Chinese Police have been urged to locate him. According to a complaint lodged with the Chinese authorities by strikers, the labor delegate was at the entrance of San Sing Lee, off Tan Pu Road, Nantao, when suddenly three armed men alighted from a motor car and hustled him into the vehicle. The car was driven away at a high speed. The labor delegate was employed in the Hwa Cheng silk weaving factory, and recently actively engaged in the organization of the First District Silk Weaving Factory Workers' Union, which was said to be responsible for the labor unrest in Nantao.

Later reports said Chow had been located in the Chinese police headquarters at Nantao. He was charged with being affiliated with Communists.

Wire barricades and police vans were used April 19 in Nantao to block the "grand march" of about 600 silk strikers, who intended to march down to the police headquarters as a protest against the arrest or abduction of their leader, Chow Yung-tsing. The entire force of the Chinese police in Nantao was mobilized and traffic was suspended.

Protest Marches and Riots Mark Strikes in Shanghai

Strikes continued during the week in Shanghai in a large number of silk and cotton mills.

Pan Kung-chuan, Chief of the Bureau of Social Affairs in an interview said that on April 1 he ordered a general 10% increase of wages among the silk workers in Shanghai. The order was ignored by the employers, according to reports from the workers.

The No. 10 Factory of the Meiya Cotton Mill in Shanghai was the scene of a riot on the night of April 3. Indignant over the employers' failure to open negotiatings with them the strikers of said mill attempted to break through the gate. They stoned the police stationed inside the factory whereupon the latter opened fire. As a result, a worker of the Paoshan Paper Mill in the nearby districts was injured by flying bullets, while six of the strikers, according to the *Lib Pao*, were found "missing."

About 600 female workers of the Kung Yik (Ewo) Cotton Mill, Robison Road, Shanghai, which has been closed since April 1, gathered for a mass meeting on the playground of the Kang Kung School on Brenan Road April 16. Following a short meeting the women formed a procession with the intention of marching to the Civic Centre in order to request the Bureau of Social Affairs to mediate with the management on their behalf. The Reserve Unit was thereupon rushed to the scene. The workers, however, marched into Chinese territory, only to have their procession broken up by the Chinese Police.

Who's Who in China

Hsu Nien-tseng, Consular official; born at Wusih, Kiangsu, 1893; B. A. Aurora University, Shanghai; LL. M. and Ph. D. in Political Economy, Paris University; since 1912, he has served successively as a staff member of the Ministry of Education, Chancellor of the Chinese Legation in Paris, Attache in the Chinese Legation in Denmark, Third Secretary in the Chinese Legation in Sweden, Second Secretary in the Office of the Chinese Delegation to the League of Nations, Vice-Section Chief in the Peking Ministry of Foreign Affairs, Section Chief in the Ministry of Foreign Affairs of the National Government at Nanking, Assistant Director of the Asiatic Department of the Ministry of Foreign Affairs, Chinese Consul-General at Harbarvosk, Professor at Peking University and the Central University in Nanking; now Consul-General at Hanoi, French Indo-China; author of "Fiction du Droit International Public;" address: Chinese Consulate-General, Hanoi, French Indo-China.

許念曾
Hsu Nien-tseng

許念曾，江蘇無錫人，年四十五歲，上海震旦大學文學士，巴黎大學法律科碩士，政治經濟科博士，自民國元年起，歷任教育部學習員，駐法使館主事，駐丹麥使館隨員，駐瑞典使館三等秘書，駐國際聯盟會中國代表辦事處二等秘書，北京外交部僉事副科長，國民政府外交部科長，亞洲司幫辦，駐伯利總領事，北京大學中央大學等校教授，現任駐河內總領事，著有法文之「國際公法上之假定」

China's Farm Produce in 1936 Registered a Billion Dollar Increase

China's farm produce in 1936 registered an increase of $1,000,000,000 as compared with that of 1935, according to the statistics of the Ministry of Industry. Distributed among a population of 450,000,000, the figures show a per capita increase of two dollars. Such abundant harvest was probably due to the increased productivity of the farmland and improved methods. Import of foreign rice, on the other hand, amounted to 3,100,000 metric tons last year, representing one-fourth of that in 1935. The monetary value of imported rice recorded a corresponding drop of from 50,910,000 to 11,887,000 customs gold units. Export of domestic rice and grains registered a quadruple increase last year. Whereas export in 1935 was 65,689 metric tons, that in 1936 totalled 268,711 metric tons. Monetary value of rice exports jumped $669,288 to $2,878,628.

The Nov. 15, 1936, issue of *Crop Reports*, issued monthly by the Division of Agricultural Economics at Nanking contains, in addition to other valuable information, a survey of farmers' subsidiary occupations in China, prominent among these being spinning and weaving, silkworm raising, and peddling.

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CUSTOMS NOTIFICATION NO. 1571

Notice is hereby given that, acting under instructions received from the Inspector General of Customs, I have to-day handed over charge of the Shanghai Customs to
Mr. L. H. Lawford, Commissioner of Customs.

PAUL BARENTZEN,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 21st April 1937.

CUSTOMS NOTIFICATION NO. 1572

Notice is hereby given that, acting under instructions received from the Inspector General of Customs, I have to-day assumed charge of the Shanghai Customs.

L. H. LAWFORD,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 21st April 1937.

Men and Events

Joe Shoong, wellknown Chinese merchant from San Francisco, is visiting in Shanghai and is staying at the Park Hotel.

The Chahar Branch of the National Aviation Reconstruction Association was formally inaugurated at Kalgan April 13 with Gen. Liu Ju-min, Chairman of Chahar, as director.

A party of 20 Chinese from Batavia arrived in Shanghai this week. After a short visit here they proceeded to Nanking and will later visit Hangchow, Peiping, Tientsin and other cities.

Preparations are being made by the Bureau of Public Health of the Peiping Municipality for a healthy baby contest to be held next month in connection with the fourth annual health campaign.

Seiji Yoshida, manager of the Shanghai branch of the Mitsubishi Bank and chairman of the Shanghai Japanese Chamber of Commerce and Industry, returned to Shanghai from Japan this week.

Treasures presented by a Chinese Empress to Col. Charles D. Jameson, of Boston, a U.S. Army engineer in China a generation ago, were recently exhibited at Boston by the New England Historical Genealogical Society.

The chorus of Yenching University, consisting of 100 members, gave a performance of Handel's oratorio "Messiah" at the National Assembly Hall in Peiping April 18 under the auspices of the Second National Art Museum.

Shanghai Municipal Police last week raided a house in Myburgh road where imitation "Ruby Queen" and other B. A. T. brands of cigarettes were being manufactured. The Police seized a cigarette-making machine, 10,000 packets of spurious cigarettes and a quantity of cigarette paper.

Breaking the record of the past two years, the revenue collection of the Amoy Customs amounted to $779,082 during the month of March, of which $721,712 were from import duties. This improvement is due to the stricter preventive measures adopted by the Customs authorities.

Believed to be the first daily newspaper to be published by and for Chinese Mohammedans in China, the *Koran Daily News* made its debut in Nanking April 15. In addition to general news, features and editorials, the four-page paper devotes one column specially to the elucidation of the Koran.

Two hundred and thirty-eight seniors of the Etajima Naval Academy arrived in Shanghai April 18 with the Training Squadron of the Japanese Navy, comprising the cruisers *Iwate* and *Yakumo*, for a three-day visit. They were in charge of Vice Admiral Koga, Commander of the Training Squadron, the report stated.

The Chinese exhibits for the International Exposition in Paris, will be shipped to France at the end of this month by the committee in charge of the articles. The collection is to be sent to France on a non-official basis. A private committee will accompany the shipment to Paris to supervise its exhibit at the exposition.

A beautiful pagoda, made of pure gold and silver, arrived in Amoy last week from Rangoon, Burma, being a gift from the overseas Chinese there to Gen. Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission. The pagoda will be shipped to Nanking to be formally presented to the Generalissimo.

Dr. Esson M. Gale was host at a luncheon party at his home in Shanghai April 17 in honor of Dr. O. C. Lockhart who departed from Shanghai of the *Empress of Japan* April 19, to join Mrs. Lockhart, who preceded him, in California. Dr. Gale will fill Mr. Lockhart's position in the Salt Service as Associate Director General during the latter's absence.

Paul V. McNutt, former Governor of Indiana, recently appointed High Commissioner to the Philippines, passed through Shanghai this week with an official party enroute to Manila. While here he was entertained by U. S. Consul General Gauss. K. C. Li, president of the Chinese Chamber of Commerce in New York, who has just arrived here, entertained in honor of Mrs. and Mrs. McNutt at the Park Hotel.

Shanghai, Nanking, Hangchow police made a determined hunt along the Nanking-Hangchow Highway this week for the gangsters who had kidnapped Hsu Pao-hua, Assistant Manager of the Kincheng Banking Corporation's branch in Nanking, and Hsu Pah-yuen, manager of the Tientsin branch of the Bank of Communications. These two men were carried away by gangsters near Wukong, Mokanshan, while they were riding in their private car from the Lakeside city to the capital, last Sunday.

Julean Arnold, American Commercial Attache, returned to Shanghai April 16 after an extended inspection tour to South and Central China, including Hainan Island, China's largest insular territory, located off the coast of Kwangtung. As Hainan Island has a dry winter climate with a mild temperature, it would make an ideal winter resort for China, Mr. Arnold states. After spending nine days in the "Paradise of China," as it is sometimes called, Mr. Arnold visited Canton and traveled to Hankow on the Canton-Hankow Railway.

J. D. White, correspondent in Peiping for the *Associated Press*, who was in Shanghai for several days, has returned to Peiping. He was accompanied by Mrs. White and they resided at the Broadway Mansions.

Nathaniel Peffer, representative in the Far East for the Institute of Pacific Relations and correspondent for *Harpers*, *Asia* and other American publications, departed this week for Nanking and Peiping. He was accompanied by Mrs. Peffer and after a few weeks in the North they are planning to return to their home in New York.

The first anniversary of the opening of the Chengtu Branch of the Central Military Academy was observed by the instructors and cadets at Chengtu, April 18. Speeches were delivered by Lieut.-General Ho Kuo-kuang, acting Director of the Chungking Provisional Headquarters of the President of the Military Affairs Commission, and Lieut.-General Li Ming-hao, Director of the Branch.

China will be represented by four delegates at the 17th World Geological Congress to be held in Moscow on July 18 next, namely Huang Chi-ching and Pei Wen-chung of the Chinese Geological Survey, Chu Shen of the Academia Sinica and Professor Yuan Fu-lin of Tsing Hua University. Mr. Pei, a graduate of the Department of Geology at the National University of Peking, is one of the discoverers of the famous Peking Man.

A contingent of 12 American warships is due to arrive in Shanghai April 24, led by the cruiser *U.S.S. Augusta*, flagship of Admiral Harry E. Yarnell, Commander-in-Chief of the fleet. With the *Augusta* will be six submarines and ten destroyers. The warships will remain in port until May 4, when they will weigh anchor for Chefoo and Tsingtao. The *Augusta*, however, will go up the Yangtsze to an unannounced destination, perhaps Hankow.

The annual report of Imperial Chemical Industries, issued in London, April 17 covering the worldwide activities of the concern during 1936, states that the export trade on the whole was good. Competition from Japan continued on a large scale, but there were signs of the vigorous resistance offered to it having effect. Conditions in China improved, partly in sympathy with the general recovery, and partly because of the gradual development of political untiy.

Frank Smothers, correspondent for *Chicago Daily News*, stationed in Peiping, departed this week with Mrs. Smothers for Tokyo where Mrs. Smothers and their children will remain temporarily while Mr. Smothers makes a trip to Shanghai, following which they will return to the United States. Reginald Sweetland, previously stationed here, but in recent years stationed in various European capitals, has returned to Shanghai and will remain here in future. Mr. and Mrs. Sweetland are residing temporarily at the Astor House Hotel.

A gang of robbers boarded the Shanghai-bound express on the S.-N. Railway late in the afternoon, of April 16, and forced open 15 trunks locked up in the baggage car, escaping with valuables, personal effects and cash reportedly valued at about $50,000. Huge claims are understood to have been already filed by passengers with the Nanking-Shanghai Railway Administration. The robbers gained entry to the locked car by cutting a hole through the floor. It is believed that they made their escape at Soochow.

An exhibition of about 30,000 volumes of encyclopedias, written in a great number of languages, was held during this week at the rooms of the International Society in Route Ferguson, Shanghai. The books on display were borrowed from various libraries, universities, foreign Embassies and Consulates in China and numerous institutions in other countries. It was sponsored by the Sino-International Library, the Institute of International Co-operation, the International Committee of Encyclopaedia Publication and the International Society.

Commander H. E. Overesch of the U. S. Navy, accompanied by Mrs. Overesch, passed through Shanghai last week on their way to Peiping where Commander Overesch will serve as Naval Attache, relieving Commander Thomas M. Shock, who is returning to Washington shortly. Major E. G. Hagen, who also arrived in Shanghai last week, has assumed the post of Assistant U. S. Naval Attache here, relieving Capt. C. C. Brown, who is departing with Mrs. Brown for Washington early next month. Capt. and Mrs. Brown were hosts at dinner at the French Club on Thursday evening, April 15 in honor of Com. and Mrs. Overesch and Major and Mrs. Hagen.

Colonel G. Peron, General Secretary of the International Association of Automobile Clubs, arrived in Shanghai recently for the purpose of studying China's highway development. The association with which he is connected is the largest organization of motor vehicle owners in the world, with headquarters at 8 Place de la Concorde, Paris. In an interview he said that China, which at present has nearly 120,000 kilometers of highways, is now definitely open to foreign motor tourists. He said he felt that there is every reason to hope that this country will soon join in the reciprocal agreements which will more completely enable foreign motorists to enjoy China's beautiful scenery and her interesting sights.

The annual report of the Canadian Pacific Railway Co. for 1936 shows that the net earnings for the year amounted to $23,311,-110.93. The profit was $6,029,183.92.

Walter Bosshard, well known correspondent for German newspapers, stationed in Peiping, has returned from vacation in Europe. His present address is 32 Chun Shu Hutung.

The Shanghai *Lih Pao* April 19 stated that the Sun Sun Department store in Nanking road was searched by members of the Chinese Customs on suspicion that it had contraband goods on sale.

The Hopei-Chahar Political Council has instructed the Hopei Provincial Administration to appropriate $18,000 for the purpose of repairing the famous stone bridge in Chao Hsien, South Hopei.

Rev. W. H. Hudspeth delivered a lecture on "The Hua Miao of Yunnan and Kueichow" (illustrated with lantern slides) on April 22 before the North China Branch of the Royal Asiatic Society.

Miss Helen Keller, the famous deaf, dumb and blind American authoress, who is at present travelling in Japan with her secretary, Miss Polly Thompson, is expected to come to China in the near future.

Eugene Chen, one time Minister of Foreign Affairs, who has been for the past two years living in Paris, is said to be planning to return to China some time this summer. On his way back to China, Mr. Chen will visit the United States.

Yen-san Lee, professor of criminology at the Shanghai College of Law and Political Science, proceeded to Japan this week to make a study of Japan's police system. Mr. Lee was entrusted with the task by General Tsi, the Police Commissioner.

Kuo Min states that a radio station has been erected at Yushu, southern Chinghai, for the Panchen Lama, "Living Buddha" of Tibet and Special Cultural Commissioner for the Western Border, who is planning to return to Lhassa in the autumn.

Mrs. Esther Crane, wife of Burton Crane who won his fame among the Japanese as the singer of "Sake Nomeba" (If I drink sake), a popular song, departed from Japan, on April 15 after a residence of 11 years. Mrs. Crane was the society editor of the *Japan Advertiser*.

The Hilo (Hawaii) *Herald* of Mar. 30 contained a note that King-Chau Mui, Chinese consul general at Honolulu, who had arrived there for the opening of the new Chinese Christian church was a guest speaker over radio station KHBC that evening. His talk was entitled "China and America."

Dredging of the old bed of the Yellow River near Hsuchow with a view to utilizing it as a reservoir for the storage of water for the city for use in emergencies, has been started under the auspices of the authorities of said city. The work is expected to be completed at the end of the month.

Sir Andrew Caldecott, former Governor of Hongkong, passed through Shanghai April 18 on the *Empress of Japan*, enroute to England, preparatory to taking up his new post as Governor of Ceylon. He was entertained at a farewell reception given by the Chinese and foreign community in the Colony April 15.

J. P. McEvoy, scenario writer and contributor to the *Saturday Evening Post*, accompanied by Mrs. McEvoy, who arrived in Shanghai from Japan and Manchukuo two weeks ago, is engaged in investigating educational systems for a series of articles in the *Post*. Mr. and Mrs. McEvoy are residing at the Broadway Mansions.

Rue Chu Pao San, a short street of one block in the Shanghai French Concession, has practically no other establishments than those devoted to dancing, drinking and dining. As such it always enjoys unusual prosperity when naval men are in port. As a result of a fight a short while age between Britons and Italians the British naval and military authorities had ruled this district "out of bounds" for their men. This ban has since been annulled.

Judge Grant Jones in the British Supreme Court in Shanghai April 15 awarded Miss Nadia Vessielevsky $2,000 damages in her breach of promise suit against Sub-Inspector Abraham Sansom of the Shanghai Municipal Police. The plaintiff, who is under age, had brought the suit through her mother. She had sued for a total of $2,500, including a claim of $500 for trousseau. The latter claim was denied by the Court, which remarked that she still had the clothes and could wear them.

A. H. J. Lovink, Chief of the East Asiatic Affairs Department of the Dutch East Indies Government, who is now on an investigation tour to China, was entertained at a joint reception in the Park Hotel April 16 by fifteen Shanghai organizations, including the China Institute of International Relations, the National Association of Chambers of Commerce, the Shanghai Chinese Chamber of Commerce, the Shanghai Civic Association, the Shanghai office of the Ministry of Foreign Affairs and others.

Recent advices from the United States brought the news that the famous old Walter home at Holly Springs, Mississippi, birthplace of Dr. Anne Walter Fearn, of Shanghai, has been restored to its original status. The house, a fine old southern mansion, dates from 1850, and is regarded as a valuable example of the American architecture of the pre-Civic War period. Restoration of the house was done by Mrs. Oscar Johnson, of St. Louis, whose father, Harvey W. Walter, built it. She is one of Dr. Fearn's two sisters and according to reports, has refurnished the house as she remembers it when a girl. A formal re-opening of the old house was held ago recently and it was to attend this function that Mrs. Fearn left Shanghai early in March this year.

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New Books of Interest in the Far East

A Hodge-Podge of Misinformation about Manchuria

Manchukuo, Jewel of Asia. By D. M. B. Collier and Lt.-Col. C. L'E. Malone. Fully Illustrated. George Allen & Unwin Ltd. London. 12s. 3d. net. 264 pp.

Few authors on Oriental topics have reached the heights of ignorance and prejudice dosplayed by Mr. Collier and Lt.-Col. Malone in their "Manchukuo, Jewel of Asia." The book, according to its publishers, is intended to give a complete picture of the country,—its history, resources, people, and their daily life and "strangest customs." The work, the publishers claim, puts forward all points of view with equal fairness.

None of these undertakings is carried out by the two writers. The book is a hodge-podge of information, always sketchy, as often as not erroneous and tinged with bias. The book attempts to create the impression that China and Manchuria are, and have always been, separate political and ethnographic entities. Frequent allusions to China appear to be made not for the purpose of reference, but to show the chaos and human depravity reigning in that country.

Here are a few quotations picked at random: "It was during the Manchu invasion that China did as she has so often done, to her detriment—invited outside help in her quarrels." The Chinese, the authors declare, "always prefer to attack a retreating army rather than to act as the aggressor." "Dishonest officials, and the ease with which the Chinese can be bought, prevented them from being able to rule their own country successfully for many centuries."

The Opium War of 1839, which was caused by the seizure of British opium by Lin Tse Hsi and was followed by the payment of an indemnity by China and the cession of Hongkong, is described as follows: "The British seized huge quantities of (opium) in the early stages of the trade, destroyed it and paid the Chinese six million dollars, at the same time as Hongkong was ceded to Great Britain . . ."

The infamous 21 demands are desctibed with equal adherence to historic truth: "As a consequence of the terms of the Anglo-Japanese alliance, Japan was involved in the chaos of the Great War in 1914, and at the end of two months Tsingtao was taken on Nov. 7. This caused China to demand the withdrawal of the Japanese Army from the German railway line between Tsingtao and the capital of Shantung. Japan's reply to this demand was refusal to move until the conclusion of the war enabled German rights to be settled. However, as things became more difficult between Japan and China negotiations were entered into, to define Japan's position in Manchuria. *Thus, in 1915, under the 'Treaty respecting South Manchuria and Eastern Inner Mongolia' the Chinese Government agreed to certain conditions* . . ." (our italics).

Other, less important, pearls include the writers' contention that M. Borodin was Soviet Ambassador in Canton; that Mongols are fine horsemen, because they are related to Russian Cossacks; that "Manchu is a very much more simple language to master than Chinese"; that Shintoism is gaining hold in Korea, "which should have a stimulating effect upon a naturally indolent people."

Few uninitiated readers will realize that the authors' innocent appearing Mukden 'Committee for the Preservation of Local Peace and Order,' which became "almost equal to a Provincial Government," was not a citizens' body but a creation of Col. K. Doihara, the then head of the Kwantung Army's espionage service and one of the leading wire-pullers behind the Mukden Incident.

The pages dealing with Manchuria are full of panegyrics to the "independent and progressive" regime in Hsinking combined with naive efforts to prove that Manchuria is both independent and progressive. "In the remote villages," the authors reveal, "Chinese merchants are still more frequently met with than Japanese (for one reason, Japanese cannot endure too much of the Manchurian climate)." The wheat crop is improving both in quality and quantity,—"this is most important, in view of Japan's ever increasing demand for white bread."

"Inherent supersition still seems to prevent China from taking much of a hand at development (of mineral resources), but the Japanese have no such qualms. Their versatility and adaptability in many spheres are undisputed, and they should be able to develop Manchukuo, so that it will become one of the earth's wealthiest spots." And, finally, an unprejudiced tourist is "invariably amazed at the remarkable signs of progress and vigorous development he witnesses in the newly formed State. To such a visitor, Manchukuo presents a vivid picture of what an energetic and progressive government—with Japanese assistance—can accomplish, even in the short span of its existence."

So overcome are the authors by the progress of independent Manchukuo that they make "every one" ask the question: "Will Pu Yi ever sit again on his throne in the Palace of Cloudless Heaven in the Forbidden City?" The answer is:—"one does not imagine that anyone would be foolish enough to deny the possibility of such a happening . . . Some Chinese, moreover, visualize the possibility of a sensational alternative in China. They see the vision of a revitalized and industrialized modern China, united once more, not under Japanese rule, but under an Emperor, a scion of an historic dynasty—a new China which would turn against those who had previously exploited it."

Yet, through these pearls of naivety one can glean the true picture of the conditions in the "independent and progressive" state. "As yet," the authors concede, "the Chinese coolie or Manchurian peasant does not worry very much about his government. His chief concern is how to obtain something to eat next week." The Japanese troops in Manchuria are "extremely arrogant," and, "making the excuse that they must be careful of spies, the soldiers arrest all kinds of innocent people." "The Japanese Consuls and officials in many instances express their regret at the way in which the soldiers behave. At present the problems seems to baffle them; they confess that in many cases where the soldiers are concerned they are helpless." Recent visitors to Manchukuo testify to Chinese girls being assaulted by Japanese soldiers, even in public buses and conveyances." "Unfortunately for the natives of Manchukuo, the worst type of Japanese are entering the country." The Japanese contention that they have reduced the number of bandits, is, according to the two writers, not borne out by recent evidence.

And of opium: "quite recently a traveller was astonished to see fields of poppies growing beside the South Manchuria Railway track, though only a few years ago, when on a previous visit, he had not seen a single poppy . . . Dope instead of food . . ."

The authors' conclusion is: "It would seem that Japan alone has not enough resources to carry out all the developments on the gigantic scale foreshadowed. It is to be hoped that by some policy of co-operation Britain may play a part . . . One thing appears inevitable, and that is the recognition of Manchukuo. It is very difficult to continue pretending that something which is very large and tangible does not exist . . . The next step, one supposes, will be the establishment of the Chinese provinces of Hopeh, Chahar, Suiyuan, Shansi and Shantung as a Japanese protectorate."

A few words must be said about the photographs, which the publishers describe as "intensely human," and "much aiding one purpose of the authors, namely, to portray the lives of the people." If anything, the photographs would much aid one to believe that the authors have never visited Manchuria. A photograph described as "native fencers amply protected for the bout," shows two *Japanese* engaged in *Japanese* fencing with bamboo poles, with a big crowd of *Japanese* watching the show. Another photo, "Potatoes are becoming popular," shows *Japanese* women, garbed in typically Japanese dresses, which no one who has ever been in the Orient could possibly confuse with Chinese dress. And when, finally, the writers decide to show a *Chinese* newly married couple, they title it as a "*Japanese* immigrant's wedding."

The book is destined for well deserved oblivion.

M.

Authority Issues Warning Regarding 'Flu.

A medical writer, in speaking of the after-effects of influenza, or grippe, says: "It is astonishing the number of people who have been crippled in health for years after an attack." It is a common thing to hear people date various ailments from an attack of influenza. The proper course is to at once build up and enrich the blood, and thus restore the weakened vitality of the system. Years of actual test have shown that there is no better remedy for this purpose than Dr. Williams' Pink Pills. Read this typical story:—

"Following a severe attack of influenza," writes Mr. F. H. McMullen, of Belleville, Canada, "I was left in such a weak condition that my friends thought I would not get better. I developed nervous indigestion and my blood got thin and watery. Dr. Williams' Pink Pills brought me back to health and strength. I can honestly say I think them the best blood builder and nerve tonic known."

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Militarism and Japanese Life

Militarism and Foreign Policy in Japan. By E. E. N. Causton. George Allen & Unwin, Ltd., 7s. 6d. net.

People the world over have asked the question: How is it the military party in Japan can maintain a strangle-hold on the nation? Mr. Causton gives a most illuminating answer, in his attempt to show how and why the military party in Japan gained its power.

Written as one of the requirements for the degree of master of arts at Yale University, the two-hundred page book is filled with meat for the student of Japan and the Far East. The background for a military appeal from the Feudal days to the present is traced, wherein the historical and ethical aspects of Japanese life and beliefs are set out. Democracy in Japan, however, has a serious stumbling-block in the fact the rule is of Divine origin. The people, therefore, lack sovereignty, even though there is a constitution, which has been granted through the magnanimity of the Throne.

Throughout the years the military element grew in strength and power, until the setback at the time of the disastrous Siberian Expedition in 1920. The final blow came with the London Naval Treaty of 1930. So much prestige was lost by the Civil Government's representative signing the treaty for Japan, the Army, in order to maintain its power, had to do something.

The murder of Captain Nakamura, "an educationalist making a historical and geographical study, carrying with him a sum of one hundred thousand yen," offered vast possibilities. The "Incident" of September 18, 1931, with its mass of detail, solidified the hold of the military on the Foreign Policy of Japan. The author does not decide whether the "Incident" really occurred or was merely a figment of a very willing military imagination. He does conclude there came about a revival of military influence, until at the "beginning of 1935, the influence of the military, which had been resuscitated by the 'Incident,' was a force which had to be reckoned with not merely in its former field, but in a new and larger field which included every aspect of Japanese Government."

"The ideology and the past experience of the Japanese people have formed a background to which a group intent upon directing the national policy along a path of militarism and chauvinism may appeal. Yet no group can make such an appeal with any success, unless it either has political power or is able to bring pressure to bear upon those who have. In Japan the military have held a supremely independent position. Limitations upon their powers have been few and insignificant. The failure of democratic institutions to gain control of the machinery of State, due in part to the undemocratic character of the Constitution, in part to intrinsic mistakes of those who aspired to leadership in a democratic regime, has simplified the task of the military should they desire to influence national policy. The prestige of the Japanese military has been high in the estimation of the people and the forces opposed to them have been weak. The events of the last forty years prove that they have used that position to launch the country upon a particular course of action rather than advise its adoption, and to formulate and direct, rather than enforce, the policy of the Government."

M. V.

Railway Progress in China Discussed in Quarterly Review

The fourth issue of the *Quarterly Review of Chinese Railways* contains an article by the British Ambassador, Sir Hughe M. Knatchbull Hugessen, on "An Appreciation of Railways in China." An article by Chang Kia-ngau, Minister of Railways, outlines General Chiang's Five Year Plan for railway development; K. Chien, technical expert, gives an illuminating discourse on steel bridges in the economy of railway construction and maintenance.

The $11,078,353 net revenue earned by the Tientsin-Pukow railway in 1936, the highest ever recorded in the history of the line, is explained together with many other intersing and enlightening details by the managing director, C. H. Yang, in an article "The Tientsin-Pukow Railway in 1936." The Peiping-Hankow Railway, which five years ago was operating under exceptional difficulties but today is in a position to amortize her debts, is reported on at length in "A Three Year Survey of the Peiping-Hankow Railway."

Good For 'Griffins' And 'Old Timers' Too.

The new-comer to the East is generally besieged with advice as to how to keep fit—much of which is often contradictory. But, on one important point all are agreed, the necessity for regularity in the daily habit. Constipation must be avoided, for this is one of the chief causes of ill-health.

Pinkettes, tiny pink laxative pills, are just the thing to keep you regular. Taken when needed, they dispel constipation, tone up the liver, aid digestion, correct biliousness and sick headaches, purify the breath, clear the skin, relieve piles. Chemists everywhere sell this convenient, all vegetable laxative, which acts as gently as nature.

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Copies may be obtained from The China Quarterly Co., 406 Kiangse Road; Kelly & Walsh, Ltd.; Chinese American Book Co.; Commercial Press, Ltd.; China News Co.; Ziang Kee Book Co., etc.

Subseription: $4.00 per annum or one dollar per copy for any part of China; U. S. $3, or 12s., for other countries. .. ..

Philippine Trade and Independence

United States—Philippine Trade Relations, with Special Reference to the Philippine Independence Act and Other Recent Legislation. By United States Tariff Commission. 20 cents.

This report is intended primarily to supply basic data on present trade relations between the United States and the Islands, and to provide an analysis of the probable economic effects of carrying out the present provisions of the Independence Act. It does not undertake to analyze problems arising out of political and military considerations which must be reckoned with in appraising fully the effects and implications of Philippine independence.

Since the American occupation, Philippine trade with the United States has increased rapidly. At the beginning of the present century, it amounted to approximately U.S.$5,000,000 and accounted for 9 per cent of Philippine imports and 13 percent of Philippine exports. By 1929 it accounted for 63 percent of Philippine imports and 76 percent of Philippine exports. Although the value of total Philippine trade declined during the subsequent years of depression, the trade with the United States increased and accounted for about 64 percent of all Philippine imports and 80 percent of all Philippine exports. Sugar accounted for over 50 percent of the value of all Philippine exports to the United States. The value of exports to the States has in almost every year exceeded the value of Philippine imports from the United States, thus maintaining a "favorable" balance of trade for the Philippines in trade with the United States.

The Independence Act, though not likely to prove an important factor in changing the economic life of the United States, will undoubtedly play a major part in altering the economy of the Philippines. The Act provides that a 10-year Commonwealth, or transition period, shall lapse on July 4, 1946, but, it is not certain, according to the report of the Tariff Commission, that adequate provision has been made for a transition sufficiently gradual to permit the realization of the economic objectives sought in the Act. And, with the loss of a preferential treatment for their products in the United States, the Philippines will be obliged to fashion an economy much more self-sufficient than the present.

The important export industries will be variously affected by the progressive export taxes. When the full United States duties become applicable in 1946 the position of the Philippine sugar industry will depend primarily on whether the United States will then be operating under a quota system which will permit the profitable marketing of Philippine sugar in the United States. If such quota system is not in operation, it is doubtful that any large proportion of the sugar industry will survive.

It is also likely that with the loss of preferential treatment in the American market after independence, the Philippines will be obliged either to curtail sharply or to discontinue altogether, exports of such commodities as coconut oil, cigars, embroideries, and pearl buttons. A number of other Philippine export industries will be affected but probably not forced out of existence. The effect on them is also discussed.

The provisions of the Independence Act make it practically certain the Philippines will decrease in importance as a market for American goods. The discontinuance of duty-free trade between the United States and the Philippines will, in some degree, injury private American interests because of the reduction in United States exports to the Philippines. Nevertheless, the whole of the Philippine market will not be lost; a portion of the market destined to be lost will likely be lost in any event; and there probably will be an increase in United States exports to other markets.

The report definitely proves what has long been believed, that independence is likely to be economically very costly, if not ruinous to the Philippines. Economic difficulties will inevitably result in political upheavals, and some will query if freedom is worth the price.

P. B. S.

Sino-Japanese Cooperation in North China

Discussing Sino-Japanese Co-operation in North China in the April 1 issue of the *Information Bulletin* of the Council of International Affairs (Nanking) Tien-tsung Sih says: "Of the numerous conditions which tend to retard rather than improve the good relations between China and Japan may be mentioned the unprecedented and illegal increase of the Japanese garrison in North China, the open encouragement of smuggling, and the instigation of the separatist movement in East Hopei, North Chahar and Inner Mongolia. These activities, it may be pointed out, have greatly disturbed the conditions in North China, and created a sense of uncertainly among the business circles there. Unless these obstacles are removed, it will be difficult to promote economic prosperity in North China, and there will be little hope to make the various projects for mutual cooperation successful. While economic cooperation has a place of importance, it must be stressed here that the urgency of political readjustment must not be neglected. Under the existing circumstances, North China has become practically a Japanese military outpost. Consequently, whatever project which the Japanese may proposes favors of a military character and purpose. It is hardly to be expected that Chinese susceptibilities can be smoothed by the mere display of force, while the highsounding altruisms of equality and reciprocity are thrown to the winds. If the Japanese really wish to bring about a more favorable situation, it is time for them to ponder carefully and to start cooperation in a new spirit and on a new basis."

German Economic Conditions Fundamentally Unsound, Says "F.P.A." Writer

Foreign Policy Reports for Mar. 15 is devoted to a discussion of the German Economic Dilemma, by John C. de Wilde. The author says that despite all superficial indications of a prosperous economic boom, economic conditions in Germany are fundamentally far from sound. During the last few years German prices, German currency and the German economy as a whole have become increasingly divorced from the rest of the world. While the German people are unlikely to starve and a financial collapse does not appear imminent, this progressive isolation has created severe stress and strain. In the end there are probably only two ways out of the present dilemma: an "explosion," as Dr. Schacht once prophesied, leading to forcible territorial expansion; or the reintegration of Germany in the world economy.

Bank of Japan Ships More Gold to the United States

Beginning with a shipment appraised at Yen 16,000,000, which left Kobe for the United States April 21, the Bank of Japan will export gold bullion of a total value of Yen 50,000,000 in the next few weeks, the Ministry of Finance announced in Tokyo April 20. Instead of being disposed of in New York by the Japanese Government, the new shipments will be handled by the Bank of Japan. This was made possible by an amendment to the Gold Purchase Act passed by the 70th session of the Diet which was dissolved on March 30.

If Your Child Has Worms.

The presence of worms in no unusual complaint with little children, it is in fact a common cause of malnutrition, failure to gain weight and consequent indifferent health. Some of the indications of the presence of worms are distention of the stomach, furred tongue, bad breath, fickle appetite, grinding of the teeth in sleep. If you have reason to suspect that your child has worms you should at once take steps to expel the parasites, which will otherwise make him irritable, thin, weak and backward.

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Shanghai, April 21, 1937

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Latest New York Stock Exchange Quotations

April 21, 1937

Stock Exchange—Business Done:-

Total Volume: 1,130,000 Shares

1936—37 High	1936—37 Low	Div. $ per sh.	STOCK	Last Sale Apr. 19	Last Sale Apr. 20
22⅜	9⅝	0.55	Adams Express	18⅝	18⅞
83½	35⅜	1.50	Allis Chalmers	67¾	69
137½	103½	4.00	American Can	105	105
40¾	29⅛	0.00	Amer. Cyanamid "B"	30⅜	30½
13⅜	6½	—	American & For. Power	10¼	10¼
68⅜	29¾	—	American & Foreign Pwr. $7. pfd.	59¼	59½
29½	18¾	0.60	American Radiator	23⅞	24⅛
190⅛	149½	9.00	Americaa Tel. & Tel.	168	168¼
104	80¾	5.00	American Tobacco "B"	83¾	84
29½	19⅛	0.80	American Waterworks	21½	21¼
69½	28	1.00	Anaconda Copper	57⅛	55¾
88½	59	2.00	Atchison, T. & S. Fe	82¼	83¾
54¼	26⅝	—	Auburn	31¼	33
40½	15⅞	—	Baltimore & Ohio	35⅞	36¼
105⅛	45⅜	1.50	Bethlehem Steel	90½	91⅛
49⅜	16⅞	—	Boeing Airplane Co.	39⅝	39½
17⅜	10⅞	—	Canadian Pacific Railway	14⅞	12⅞
186	92½	4.00	Case, J. I.	158	165¾
100	59	3.00	Chesapeake Corp.	83½	83
77¾	51	2.80	Chesapeake & Ohio	61¼	61¼
138¾	85½	12.00	Chrysler	116½	117⅜
23⅜	14	0.60	Columbia Gas Electric	14½	14½
24⅝	14¼	0.60	Coml. Sovents	16⅝	16⅝
5½	2¼	—	Commonwealth & Southern, ord.	2⅞	2¾
49⅞	27¼	2.00	Consolinated Edison	39⅛	39¾
17⅜	11½	0.80	Consolidated Oil	16⅜	17
47⅛	28⅛	1.00	Continental Oil	47⅛	47
82½	63	3.00	Corn Products	63	61
82¼	50⅝	—	Douglas Aircraft	57	58⅞
184¾	133	6.10	Du Pont de Nemours	158	159¾
28	15½	—	Electric Bond & Share	20¾	21⅛
64⅞	34½	1.00	General Electric	54⅜	55½
44⅛	33⅜	2.00	General Foods	41¾	11⅝
77	53⅜	4.50	General Motors	59⅛	59¼
65¼	32½	1.00	General Railway Signal	49	49
50½	13⅜	1.00	Gold Dust	46	46⅜
47⅜	21⅝	0.50	Goodyear Tire & Rubber	41⅜	42½
87	57	1.00	Humble Oil	81⅛	82
73⅜	43¼	1.60	International Nickel	63	61¾
19¼	11½	—	International Tel. & Tel.	12⅛	12¼
69⅜	28¼	1.70	Kenneeott	58¼	57¾
84⅜	43	2.00	Loew's Inc.	84⅝	83½
28⅝	21½	1.20	Lorillard	23	22¾
103	79	1.70	Monsanto Chemical	89¾	90
69	35¾	2.00	Montgomery Ward	61	60¼
37⅜	25⅛	2.19	Nat. Bond Investment	28¾	28¾
28¼	21	1.20	National Dairy Prods.	24⅛	24⅛
35	25⅝	2.00	National Distillers	32¼	32⅜
14⅜	9⅝	0.60	National Power & Lt.	10⅞	10⅞
55¼	27⅜	—	New York Central	49⅛	50¼
36¾	23⅞	1.00	North American	26¼	26½
41	30¾	2.00	Pacific Gas & Electric	32	31¾
58¾	44	3.00	Pacific Lighting	47½	47⅜
13⅜	6⅝	0.45	Packard Motors	10⅜	10¼
50¼	28¼	2.00	Pennsylvania Railroad	46	45¾
58⅝	38⅛	2.50	Phillips Petroleum	57⅛	58
52¾	39	2.60	Public Serv. of N. J.	48⅛	48¼
14¼	9¾	—	Radio Corporation of Amer.	10⅝	10½
60½	50	3.00	Reynolds Tobacco "B"	51	51
55⅜	37¾	3.00	Schnley	46	45⅝
101½	59⅝	3.00	Sears Roebuck	89¾	89½
19⅞	12⅞	0.7C	Socony-Vacuum	19⅞	20
35½	25	1.50	Southern California Edison	26⅝	26⅝
65⅜	23½	—	Southern Pacific	58⅜	58¾
18⅛	14¼	0.80	Standard Brands	14¼	14⅜
14⅜	5⅛	—	Standard Gas & Electric	10½	10⅜
76	51½	1.00	Standard Oil Co. of N. J.	69⅛	68¾
78½	65	3.80	Sterling Products	68	69
44¾	33	2.00	Texas Gulf Sulphur	39¾	39¾
18⅛	11	0.40	Transamerica	15¾	15⅝
111	71⅝	2.80	Union Caride & Carbon	99⅝	100⅜
149¾	108½	6.00	Union Pacific	146	147
35⅞	20⅝	0.50	United Aircraft (New)	28¾	28⅛
24⅜	13	0.20	United Airline Trans.	18⅝	19⅛
13⅝	4	—	United Corporation	5⅞	5⅞
19½	13¾	1.00	United Gas Improvement	13⅞	14
59	31¼	—	U. S. Indus. Alcohol	40	40
71⅞	16⅜	—	U. S. Rubber	64	64⅛
126¼	46⅜	—	U. S. Steel	111	112¼
39⅜	16¼	—	Vanadium	32½	32⅝
18⅜	9¼	—	Warner Bros. Pictures	15½	15⅛
167⅝	94½	5.50	Westinghouse Electric	140¼	143

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